Austria Sch. 15	Indonesia Rp 7500	Portugal Esc 65
Bahrain Din 0.650	Italy L 1100	S. Arabia Rls 6.00
Belgium BFr 36	Japan Y550	Singapore S$4.10
Canada C$2.50	Jordan Fils 500	Spain Pta 95
Cyprus Mils 800	Kuwait Fils 500	Sri Lanka Rup 30
Denmark DKr 7.00	Lebanon L 6.00	Sweden Skr 6.50
Egypt £E1.00	Luxembourg LFr 36	Switzerland SwFr 2
Finland Fmk 5.50	Malaysia Rm 4.25	Taiwan NT$35
France Fr 6.50	Mexico Pes 300	Tunisia Din 0.500
Germany DM 2.00	Morocco Dh 6.00	Turkey L 160
Greece Dr 60	Netherlands Fl 2.75	UAE Dh 6.50
Hong Kong HK$12	Norway Nkr 6.00	U.S.A. $1.50
India Rup 15	Philippines Pes 20	

FINANCIAL TIMES

EUROPE'S BUSINESS NEWSPAPER

No. 29,120

Thursday September 15 1983

IMF finds the right recipe with Mexico, Page 12

NEWS SUMMARY

GENERAL

Lebanon peace moves intensify

Diplomatic moves to halt the Lebanon conflict were stepped up. Saudi Arabia was understood to have asked the U.S. *to take no military* action for 48 hours while attempts continued to achieve a ceasefire.

On Tuesday the U.S. authorised air strikes from its naval forces off the coast should its land-based marine peace-keeping force be attacked. Page 4

In Tel Aviv, Israeli intelligence chief General Ehud Barak said 1,000 armed Palestinians were in Beirut, a year after Israel forced the Palestine Liberation Organisation out of the city.

In Washington, former U.S. Defence Secretary Robert McNamara disclosed that the U.S. and the Soviet Union almost went to war in June 1967 over the Middle East – and that a nuclear bomb almost exploded in the U.S. in 1961 when a U.S. bomber crashed. Page 6

General dismissed

Spain's Socialist Government dismissed General Fernando Soteras, a regional commander based at Valladolid, after his remarks in support of the men who attempted a military coup in 1981. Earlier story, Page 2

Berlin talks

West Berlin mayor Richard von Weizsacker holds talks with East German leader Erich Honecker in East Berlin today.

Israeli shot dead

Romanian-born Israeli businessman Efi Halpern, 46, who had lived in Hamburg for three years, was shot dead by an unknown assailant as he arrived home.

Iranians injured

Iran said 26 Iranian pilgrims were injured by Saudi police in Mecca after taking part in a demonstration.

Kampuchea fighting

Thailand said heavy fighting broke out in Kampuchea when rebels attacked Vietnamese bases near the Thai border.

Veterans press claim

Some 5,000 former Spanish officers who fought for the Republicans in the Civil War plan to take their claim for pensions and other benefits to the European *Human Rights* Commission in January if Spain does not pay them.

Ship captain jailed

The captain of a Volga riverboat on which more than 100 people died when it hit a bridge has been jailed for 10 years for negligence.

$1m finder is keeper

A 16-year-old orphan boy from Hollywood, Florida, can keep jewels worth $1m he found six months ago. *Police say no one has been able* to prove ownership.

Animal expert killed

Russian-born wildlife expert Ura de Woronin, 69, was gored to death by an elephant in northern Zimbabwe.

In Johannesburg, two bull terriers attacked and killed their owner's maid.

Briefly . . .

Western Samoa: Bush fires have destroyed many plantations and livestock, causing economic disaster.

Graz, Austria: Mountain coach crash killed 13 Hungarian tourists.

Czech guard, 19, dashed across the border into Bavaria, seeking asylum.

BUSINESS

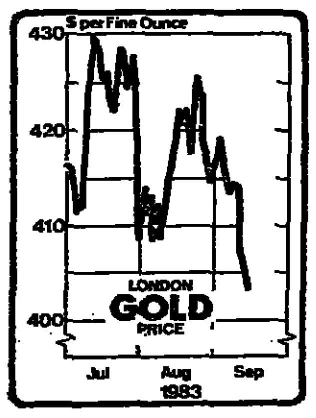
EEC may launch $500m aid bank

● *THE EEC Commission is considering* launching a bank with about $500m capital to channel medium *and long-term funds to public and* private enterprises in Latin America. Page 20

● DOLLAR *gained more ground*, reaching DM 2.6855 (from DM 2.679), FFr 8.105 (FFr 8.085), SwFr 2.1845 (SwFr 2.1775), and Y245.25 (Y243.9). Its Bank of England trade-weighted index advanced from 128.8 to 129.1. In New York it closed at DM 2.6785; SwFr 2.178; FFr 8.0875; and Y244.95. Page 43

● STERLING *fell 35 points to* $1.4905, was unchanged at DM 4.005, and improved to FFr 12.08 *(FFr 12.075)*, SwFr 3.26 (SwFr 3.255), and Y365.75 (Y365). Its trade weighting edged up from 84.7 to 84.8. *In New York it closed at* $1.4955. Page 43

● GOLD fell $3.5 in London to $403.375. It dropped $5 in Frankfurt to $401.75, and $5 in Zurich to $402.5. In New York Comex September settlement closed at $406.4 ($407.1). Page 42



● LONDON: FT Industrial Ordinary index gained 4 points, to 698.8. Government Securities remained static. Report, *FT Share Information Service*, Pages 37–39

● WALL STREET: Dow Jones index closed up 5.38 at 1229.47. Report, Full share listings, Pages 33–35

● TOKYO: Nikkei Dow index eased by 25.22 to 9274.11, and the Stock Exchange fell 3.56 to 682.09. Report, Page 33, Leading prices, other exchanges, Page 36.

● IRISH Foreign Minister Peter Barry, who is due to take over the European Community presidency *in July, called on Japan to take* steps to help cure its trade imbalance with the EEC.

● *PORTUGAL plans emergency* taxes. Targets include capital gains, nightclubs, gambling, larger cars, *and rental income.* Page 2

● ITALY now expects its 1983 gross domestic product to fall 1.2 per cent, *compared with an earlier zero* growth forecast. Page 2

● BULL, France's largest computer maker, expects to lose about FFr 600m ($74m) this year, having lost FFr 1.36bn in 1982. Page 20

● MESA PETROLEUM, Texas independent, has bid $466m for KN *Energy, a Colorado-based gas pipe*line company. Page 21

● BALDWIN-UNITED, troubled U.S. financial group, agreed to *sell* MGIC Investment, the biggest insurer of home mortgages in the *U.S., which it bought for $1.2bn late* in 1981, as soon as possible. Page 21

● PHILADELPHIA Savings Fund Society issue of 30.2m shares was priced at $11¼ by underwriters led by Salomon Brothers.

● WOOLWORTH HOLDINGS of the UK, which bought out U.S. and *other interests in the British retail* chain, cut first-half pre-tax losses to £1.8m ($2.6m) from £18.4m. Lex, *Page 20; details, Page 26*

Delors brings in tough budget to combat inflation

BY DAVID HOUSEGO IN PARIS

The French Government yesterday raised taxes on higher incomes and clamped down on the growth of expenditure in a restrictive budget for 1984 intended to reinforce its anti-inflationary programme.

Total Government expenditure will rise by *only* 6.3 per cent to FFr 937bn ($115bn) implying only a marginal increase in real terms. The increase reflects a marked slow-down during the past two years and leaves a budget deficit of FFr 125bn, equivalent to 3 per cent of gross national product (GNP).

The squeeze will not touch the priority areas of research, the newly nationalised industries and training, where through active state intervention the Government's aim is to modernise France's productive apparatus.

The research budget is being raised by 15.5 per cent to FFr 37.5bn, industrial aid by 14.4 per cent to FFr 43.6bn, and injections of capital for the newly nationalised industries by 26 per cent to FFr 14bn.

M Jacques Delors, the Finance Minister, presenting the budget to the press yesterday, placed it under the double banner of continuing the process of disinflation and of improving France's competitive capabilities.

The budget raises some FFr 37bn through new taxes and social security contributions – for the first time the state budget and the funding of the separately administered social security fund have been taken together.

The major new levy is a surtax on middle and higher incomes, under which those paying more than FFr 20,000 in taxes will pay an additional 5 to 8 per cent.

It is backed by small increases in wealth tax and succession duties reflecting the Socialists' political choice that in difficult times the rich should pay.

Forestalling criticism over the growing weight of tax and social security payments, M Delors said one *of the risks of France's present situ*ation was that those with responsibility would get discouraged. He *claimed credit for securing further* spending cuts that had prevented a "tax bombardment."

The budget carries the marginal tax rate to around 70 per cent and tax social security payments as a proportion of GNP to around 45 per cent from 42.7 per cent in 1980.

In political terms, the budget reflects the Government's calculation that in continuing to depress de*mand, inflation will be brought* down to a level comparable with that of France's European partners by the end of next year and the trade deficit reduced from an expected FFr 60bn this year to FFr 7bn by the end of 1984.

This will give the Government more leeway to encourage growth in 1985 before the 1986 municipal elections. M Delors even spoke yesterday of the possibility of tax cuts in 1985, though he is also worried that a prolonged slowdown in the European economies will reduce his margin for manoeuvre.

The budget is based on the assumptioin of a 1 per cent growth in real GNP *next year after* 0.1 per cent this year. Optimistically, almost all this growth is seen as coming from exports, which in the budget calculations are forecast as ris-

Continued on Page 20

Britain stands ground on missile count

BY REGINALD DALE, U.S. EDITOR, IN WASHINGTON

MR MICHAEL HESELTINE, Britain's Defence Minister, reiterated yesterday the UK's rejection of Soviet *demands* that the *British* and French independent *strategic* deterrents be included in the U.S.–Soviet *negotiations in Geneva on interme*diate-range nuclear weapons in Europe.

Mr Heseltine, *who was in Wash*ington for talks with leading members of the Reagan Administration, repeated that there was "no way" the British deterrent could be included in talks which concerned totally different sorts of weapons.

Mr Heseltine's renewed rejection of the Soviet demands came after Mr Georgy Kornienko, Soviet Deputy Foreign Minister, told a Moscow news conference yesterday that the West should not expect the Soviet Union's position in the arms talks to change as a result of the outcry following the shooting down of the South Korean airliner.

Mr Kornienko warned against expectations that Moscow would give ground on including the French and British deterrents. The expectations were raised by Mr Hans-Dietrich Genscher, West Germany's Foreign Minister, who said in Madrid last week that Mr Andrei Gromyko, the Soviet Foreign Minister, appeared to be shifting his position on whether the British and French deterrents should be classified as "intermediate" or "strategic."

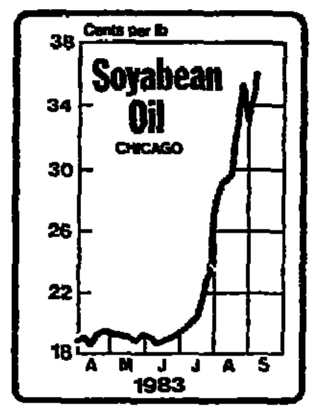
Mr Kornienko continued to insist that even a partial deployment of new American cruise and Pershing *2 missiles in Western Europe*, due to start in December, was unacceptable to Moscow. The latest round of *the negotiations, which resumed in* Geneva last week, would be "decisive," he said.

The new round would determine whether or not there could be an agreement to prevent "a new and *rather dangerous spiral in the nu*clear arms race in Europe", Mr Kornienko said. He accused Washington of not even trying to find a *mu*tually acceptable accord

Mr Heseltine, however, said that he was *utterly convinced* that the Reagan Administration wanted an agreement and that "there is still time." It was up to Moscow *to de*cide if wanted an agreement, and he hoped that the Soviet Union would "want to test to good will of the West."

Mr Heseltine said that in at*tempting to include the British and* French deterrents, the Soviet Union was trying to confuse public opinion in *Wester Europe.* Until the Soviet Union had deployed its own intermediate-range SS-20 missiles it had always treated the British and French deterrents as intercontinental missiles, he said.

***Bonn's countdown to disaster*, Page 3**



Brazil may pay $80m for soya buy-back

By Andrew Whitley in Rio de Janeiro

OVERSELLING of soyabean oil by Brazilian exporters could cost the country, the world's second largest producer of soyabeans, *up to $80m* in buy-back operations over the coming months.

Brazilian traders, seeking to take advantage of the shortfall in this year's crop from the U.S., the *big*gest producer, and consequent rising prices, are estimated to have agreed to export contracts totalling between 100,000 to 250,000 tonnes in excess of available supplies.

The average price was $450 a tonne. Since then, prices have reached about $800, a difference which will make the cost of buying in enough oil to meet the contracts extremely expensive.

As a result, Cacex, the export arm of the state-owned Banco do Brasil, has been forced to step in to halt sales.

Brazil's exports are concentrated on soyabean products – meal used for animal feed and soya oil, for a wide range of manufactured products ranging from margarine to detergents.

The prolonged drought and heatwave in the U.S. has cut the expected American soyabean crop to be harvested shortly by about a third to just below 42m tonnes. So buyers have increasingly turned to Brazil as the main alternative source of supplies.

Cacex announced on Tuesday a temporary suspension of new soyameal sale contracts for the second time in three weeks. And it also halted completely all new sales of soyabeans and soya oil from the 1983 crop.

Up to August 25, when Cacex first surprised the market by abruptly halting the registration of sales, soya exporters were obliged to notify the foreign trade regulatory body of the details of a transaction only after it had taken place.

Greece seizes control of major cement exporter

BY DAVID TONGE IN ATHENS

THE GREEK Government yesterday took control of Heracles General Cement, one of Europe's largest single cement exporters, following ministerial accusations that the company had been involved in fraud and currency smuggling.

The Tsatsos family, founders and *largest private shareholders in the* company, resigned yesterday. The company, which owes $160m to *equipment suppliers and banks* headed by Paribas, is now to be run by a board chosen by the state-con*trolled National Bank of Greece*, which owns 35 per cent of the shares in the company, compared *with the 20 per cent owned* by the Tsatsos family.

This abrupt shake-up is the greatest blow to business confidence in Greece's Socialist Government since it took office 23 months ago.

The accusations were made on Monday night by Mr Gerassimos Arsenis, Minister of National Economy, and had been personally cleared by Dr Andreas Papandreou, the Prime Minister. The Government accused Heracles General Cement – one of Greece's few profitable firms – of setting up dummy companies abroad to allow it to transfer large sums of capital out of Greece or avoid Greek taxes.

It has presented a 4,000-word pe*tition to the public prosecutor in* Athens. Mr George Tsatsos, until yesterday managing director of the *company, rejected* the charges as "unsustainable" and insisted that at no point had the company had an opportunity to answer its critics.

The Greek Federation of Industry yesterday strongly attacked the *Government for denouncing Hera*cles publicly before the judiciary had even started an investigation.

The Government move is expected to please its supporters, who have become increasingly restless at the stagnation of the economy and the prospect of a winter of austerity aimed at curbing inflation, now running at around 20 per cent.

Foreign banks in Athens yesterday expressed concern at the move, warning it could cause Greece's next foray into the international capital market to be less successful than the $250m loan recently raised by OTE, the state telecommunications organisation.

The Government insists that its denunciation of Heracles is not part of a general attack on business, however, it is currently pursuing Miss Christina Onassis, manager of her father's shipping fortune, on tax charges.

Heracles General Cement has a market capitalisation of around Dr 24bn ($258m), making it one of Greece's fourth largest companies. It produced 5.5m tonnes of cement last year, control's 42 per cent of the Greek cement market, and has been earning around $150m annually from its sales to the Middle East, Nigeria and North Africa. It recently brought on stream a new $200m plant and this year expects to export around 3.7m tonnes of cement.

Private enterprise tackled, Page 2

Osborne Computer files for protection

BY LOUISE KEHOE IN SAN FRANCISCO

OSBORNE COMPUTER, the California-based personal computer manufacturer run by British-born Mr Adam Osborne, yesterday filed for protection under Chapter 11 of the U.S. Bankruptcy Code.

Osborne, which was founded in 1981, created a huge demand for personal computers that can fit under an airline seat. In its first year of operations, Osborne had sales of $70m. This success attracted competitors, however, and Osborne failed to keep up.

According to a company statement the declaration of bankruptcy will "enable the company to work out arrangements with its creditors while it seeks new financing." Osborne added that its lending banks were continuing to assist the company in financing its current cash requirements.

Osborne's bank debt *is said to to*tal nearly $20m. The company's chief lending bank is Security Pacific. *Venture capitalists* who provided start-up funds for Osborne, are understood to be disinclined to *provide further funds*

Osborne shut its Hayward, California, factory on Friday and laid off its 1,200 production workers. Although all manufacturing has stopped, Chapter 11 allows a company to continue operating with court protection from creditors while it tries to work out a plan for paying debts.

industry shakeout, Page 21

Taubman cleared to bid for Sotheby's

BY CHARLES BATCHELOR IN LONDON

MR ALFRED TAUBMAN, the American multi-millionaire property developer, has been given clearance by UK authorities to go ahead with his £82.8m ($123m) agreed bid for Sotheby's, the London auction group.

Mr Taubman will announce the offer terms on Monday once he has completed the purchase of the 29.9 per cent holding stake built up by the original American bidders, Mr Marshall Cogan and Mr Stephen Swid.

Mr Taubman, who already owns or has options on 14.99 per cent of Sotheby's shares, will be making a general offer of £7 a share.

The bid has been approved by Britain's Monopolies Commission *which decided after a three-month* investigation that the bid would not operate against the public interest.

It said *it* saw no disadvantage in Sotheby's passing into foreign hands, in contrast to the bid from Enserch Corporation of the U.S. for Davy Corporation, and the Hongkong and Shanghai Banking Corporation and Standard Chartered Bank bids for the Royal Bank of Scotland, where specific market factors were at work.

The Commission's only reservation is that once Sotheby's becomes part of a U.S. holding company it will publish less information about its worldwide activities than at

Continued on Page 20

A man and his throne, Page 8; Lex, Page 20

Wells Fargo loan threat to Venezuela

By William Hall in New York

WELLS FARGO, a major U.S. West Coast bank, is refusing to renew its $10m share of a $310m loan to Inos, the Venezuelan state-owned water authority, a move which threatens to result in the public utility being declared in default.

The action is being watched closely by international banks, which are becoming increasingly angry at Venezuela's apparent inability to service its interest payments on private sector foreign debts despite the fact that it has nearly $10bn in foreign exchange reserves.

Last week, Wells Fargo sent a telex to Venezuelan President Luis Herrera Campins asking him to intervene in the long-running dispute

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CONTENTS

John Wyles reports from the European Parliament in Strasbourg

MEPs back new Europe blueprint

"THERE IS something wrong in the State of Denmark and in Britain, too," growled Sig Altiere Spinelli, patriarch of the European Parliament's most avid European intergrationists.

He had just been subjected to a heated after-dinner tirade from a British Tory who was attempting to explain why British and Danish Conservatives would be abstaining from yesterday's Parliamentary vote on what has become known as the Spinelli plan for European Union.

For more than two years, this Communist supporter and former European Commissioner for industrial affairs, has schemed, wheedled and cajoled the European Parliament in producing its own blueprint for pulling "Europe" out of the stultifying grip of national Governments and placing it firmly in the control of more federal-type institutions.

He succeeded in involving members of all the Parliament's main political groups in the production of a three-volume report, and yesterday its recommendations passed by a respectable majority. Sig Spinelli now hopes that the broad mass of parliamentarians will want to be campaigning for re-election next June with a Community revival plan in their knapsacks.

Nevertheless, a sizeable minority of the 434 MEPs appear to have deep reservations about the popular support to be garnered from an appeal for more political integration.

This group, drawn from all member-states, wants, it seems, a better Community but not at the expense of surrendering much national sovereignty.

Danish, British and Greek Socialists reflected the hostility and suspicion of their national parties, towards the Community by opposing the report.

British Conservative hesitation, meanwhile, expressed through abstentions, focused on the plan to abolish a Government's right to block EEC legislation on the grounds that a vital national interest is at stake. The backbone of the majority yesterday was provided by Liberals and Christian Democrats.

Passage of the report will be followed by work on drawing up a detailed draft Treaty For European Union, by next February. It will then be submitted to national Governments whose aspirations for the Community are far less ambitious.

As a result, they will almost certainly do nothing about it. This does not mean that the efforts of Sig Spinelli and his collaborators would have been a complete waste of time.

Many of the policies favoured by the report, from the development of the internal market, to social and environmental legislation, are under negotiation the Council of Ministers.

In its proposals for giving the Parliament an equal role with the Council of Ministers in passing EEC legislation, in calling for wholesale majority voting in the Council, and in setting time-limits for the adoption of policies, the report seeks to open up and speed the pace of Community decision making.

If most member-Governments chose to stand on the status quo, then some kind of public bandwagon could develop behind demands that they make it perform better.

In addition, the Spinelli Report could serve to focus some public attention on the Parliament's extremely limited role. To many observers, and, even more, MEPs, it seems a perversion of popular democracy to urge electors to go to the polls next year to send to Strasbourg representatives whose powers to influence the direction of the community are minimal.

Under the present arrangements, Governments elected on the basis of national concerns, can ignore the parliament's advice on policies with relative impunity.

This democratic theory holds that MEPs embody the popular will on community issues. The contradiction may explain some of the growing disillusion and cynicism about the Community which opinion polls are now beginning to register.

Work-hour cuts left to member governments

EEC member-governments are to be left to decide for themselves whether to legislate for a reduction in working time instead of negotiating a Community-wide approach to the problem.

This emerged for a meeting of the European Commission yesterday which opted for a recommendation for legislation or equivalent action by national governments rather than the introduction of EEC law.

This is an acknowledgment of current political realities whereby some governments prefer to leave working-time issues to be settled between employers and unions.

Move to boost competitiveness

THE EUROPEAN Commission has effectively told EEC member-governments that if they wish to make a start on raising the competitiveness of Community industries they should begin to adopt some 66 proposals and recommendations tabled by the Commission in the past 10 years.

This response to a request from last June's EEC summit in Stuttgart is bound to puzzle and irritate some governments looking for a stronger sense of priorities from the Commission.

But in a note to next week's special Council of Ministers negotiation on the Stuttgart mandate, the Commission does stress the particular need for a Community-wide approach to the development of information technologies, telecommunications and biotechnologies.

More generally, however, the Commission emphasises the need for decisions on its 66 proposals and strategies, many of which have stumbled over long-standing disagreements between member states.

These relate to economic and monetary policies, such as the development of the European Monetary System, to the removal of internal non-tariff barriers to trade, to energy policy and to research and development.

In its note to the Council, the Commission points out that despite large expenditures by individual governments aimed at developing "national champions," the Community's internal market for high-technology goods is dominated by imports.

This is because the Community dimension is not being properly exploited, the Commission says.

● The modest economic upturn now being registered in some EEC countries is not expected to lead to any noticeable increase in demand for Community-produced crude steel in the final quarter of the year, according to European Commission forecasts.

As a result, the Commission said yesterday, Community steel producers are unlikely to be able to match their second quarter output of 28.4m tonnes,

Italy set for 1.2% GDP drop this year

BY JAMES BUXTON IN ROME

THE ITALIAN Government now expects 1983 to be Italy's worst year for economic growth since the beginning of the recession caused by the second oil shock. Gross domestic product is expected to decline by 1.2 per cent, compared with the original forecast of zero growth.

This is one of the key indicators being used by the Government as it hurries to prepare the budget for 1984 by the end of this month.

Sig Pietro Longo, the Minister of the Budget in the Government led by the Socialist Sig Bettino Craxi, said that GDP would grow in money terms by 14 per cent this year to L534,713bn (£224bn). Inflation, he pointed out, was running at 15.5 per cent at the end of June, at a time when Italy's EEC partners had succeeded in reducing their average rate to 5.8 per cent.

Sig Longo forecast a trade deficit of L7,000bn, less than half the L16,966bn deficit registered in 1982. Employment was expected to fall by 0.5 per cent this year for the second year running.

Italy had an annual growth rate of almost 4 per cent as late as 1980. In 1981 there was growth of only 0.1 per cent and in 1982 GDP declined by 0.3 per cent.

Though the Government this week introduced cuts in pensions and health spending which should reduce the public sector borrowing requirement by L2,000bn, it is now too late to prevent a major overshoot of the Government's original public sector borrowing requirement target for the year of L71,000bn.

By taking some largely cosmetic actions including delaying spending items the government may be able to hold it down to about L84,000bn, instead of the L90,000bn for which it currently seems to be headed. A L84,000bn deficit would be 16 per cent of GDP, hardly an improvement on last year's percentage of 16.9

Unless the 1984 budget contains major cuts in spending Italy is likely to have a public sector borrowing requirement of L120,000bn next year. The tougher the budget the more difficult it will be to get it passed by Parliament, an issue to which the Government is already turning its attention.

Eanes to tell Reagan of firm Nato ties

By Diana Smith in Lisbon

PRESIDENT Antonio Ramalho Eanes will reiterate Portugal's unshakeable commitment to Nato and eagerness to amplify its trade relationship with the U.S. when he sees President Ronald Reagan today during a six-day official visit to the U.S.

Portuguese presidents have no negotiating powers, but the post-world War II U.S. lease of Lajes Air Base on the Teixeira Island in the Azores—now up for renewal—and U.S. interest in possible use of facilities on Portuguese mainland soil will be major items on the talks agenda.

As one of Nato's poorer members, Portugal wants concessions of facilities to the U.S. or the alliance to be offset by economic and military aid.

The Azores, whose head of Government, Sr Joao Mota Amaral, has accompanied President Eanes to the U.S., are adamant that renewal of the Lajes lease must bring more aid.

The Portuguese Government is preparing a tax package that will pinch the better-off, as part of the austerity programme imposed by the Socialist-Social Democrat coalition of Sr Mario Soares, Diana Smith writes.

Generally, the measures will not touch lower income brackets hard-hit by recent heavy increases in fares, utilities and food prices.

Spanish general backs coup rebels

GEN FERNANDO Soteras Casamayor, Commanding Officer of the Seventh Military Region, which comprises a sizeable part of North Central Spain, has caused a public outcry following outspoken remarks in support of the imprisoned 1981 coup attempt rebels, **Tom Burns reports from Madrid.**

His remarks, published by the top-selling Interviu magazine, included a call for a pardon of the rebels which he said would "prompt satisfaction in the army" and the assertion that there were "undoubted motives" for the coup attempt.

Government ministers were understood yesterday to be studying possible sanctions against the general.

Norwegian Industry Minister resigns

THE MINISTER of Industry in Norway's three-party coalition Government, Mr Jens Halvard Bratz, is resigning "for personal reasons" and will be replaced by Mr Jan Syse, at present Chairman of the Storting (Parliament) Finance Committee, **Fay Gjester reports from Oslo.**

Both men belong to the coalition's dominant party, the Conservatives, and the switch is not believed to signal any radical change in the government's industrial policy.

Dutch unemployment

The Dutch Central Planning Bureau, a highly influential, state-funded body, expects more than 900,000 people to be out of work in the Netherlands in the course of 1984, Walter Ellis reports from Amsterdam. Such a total would represent more than 19 per cent of the registered workforce, compared with an estimated 17.5 per cent at present.

Polish food prices

Food price rises due at the start of next year should cut Polish Government subsidies to 20 per cent of food costs, Mr Zdzislaw Krosinski, the Prices Minister, said in an interview in Trybuna Ludu, the Party newspaper, yesterday, Christopher Bobinski reports. New prices have yet to be announced, but rises are not expected to exceed 20 per cent.

Banks 'still unable to agree IMF's bridging finance'

BY JOHN DAVIES IN FRANKFURT

CENTRAL BANKS have not yet been able to agree on proposals for SDR 6bn (£3.6bn) in bridging finance for the International Monetary Fund, Herr Karl Otto Pöhl, president of the West German Bundesbank, said yesterday.

Herr Pöhl, chairman of the Group of Ten central banks, said that there were still too many uncertainties about enlarged access to the IMF's resources and other issues.

In addition, several countries had not yet given final approval to an increase in their IMF quotas, he said.

Herr Pöhl said that it was therefore still too early to speak of agreement in principle by the Group of Ten on arrangements for bridging finance.

The SDR 6bn gap is expected to arise because of commitments which the IMF will have made by the end of this year and which will not be covered by its own resources.

One of the uncertainties surrounding the IMF's future operations concerns the level at which member-countries can tap IMF resources once quota subscription increases have been implemented.

Peter Montagnon, Euromarkets Correspondent, adds: The credit to the International Monetary Fund was one of the

Herr Karl-Otto Poehl

key subjects discussed earlier this week at a meeting of the central bankers in Basle.

The Basle-based Bank for International Settlements had originally been expected to approve a $3bn credit to the IMF, matching a $3bn loan also being considered by Saudi Arabia.

But objections were raised in three main areas. Herr Pöhl is understood to feel that an early agreement on the credit would reduce pressure on the U.S. Congress to ratify the IMF's proposed SDR 30bn quota increase.

Second, the central bankers are aware that the IMF does not face an immediate liquidity shortage. It needs the loan to match expected loan disbursements next year and has traditionally pursued a conservative policy of stocking up on liquidity well in advance of loan disbursements.

Third, its precise financial needs will only be known after member-governments have agreed on a multiple of the new quotes that each member can draw.

Currently, each member can draw 150 per cent of its quota but the U.S. wants to reduce this to 102 per cent once the new, higher quotas come into effect.

The consensus at the Basle meeting was therefore that there is no need for the central banks to rush into an agreement on the credit.

If the IMF's needs did become acute, key central banks would, however, still prefer it to borrow from them rather than in the private capital markets.

West discusses Poland's debt

BY DAVID BUCHAN, EAST EUROPE CORRESPONDENT

WESTERN GOVERNMENT officials start talks today in the Paris creditors' club on rescheduling Poland's official debt, in what is in effect a major erosion of political sanctions on the Jaruzelski Government.

Nato countries froze discussions on repayment of the $14bn to $15bn they are owed by Poland after martial law was imposed in December 1981. But after General Jaruzelski finally abolished his framework of martial law in July this year, Western governments said they were ready to discuss rescheduling "in principle."

Officially, the lifting of Nato sanctions, which also include a ban on high-level political contacts with Poland and a freeze on new western export finance, is still up in the air, as Western Governments ponder the extent of the Jaruzelski "liberalisation" since July. But, in practice, Western officials have now concluded that the rescheduling freeze is now hurting the West more than Poland, which has effectively got away with paying no money on its official Western debt for nearly two years.

Poland, on balance, also wants a resumption of debt rescheduling with the Western Governments, as it has achieved with Western commercial banks this year and in 1982. Warsaw hopes that such a debt deal will lift some of the uncertainty on its business relations with the West, pave the way for new Western trade and commodity credits, and eventually make possible its entry into the International Monetary Fund, for which it applied in November 1981.

The Paris talks today will focus on the Western governments' negotiating position. Actual negotiations are unlikely to get underway until after Western officials go to Warsaw on a fact-finding trip to establish the exact extent of Poland's exposure. Slightly more than half Poland's total $27bn debt is owed to Western governments.

Brazil government debt talks start

BY PAUL BETTS IN PARIS

THE PARIS CLUB of Western creditor nations started a three-day meeting here yesterday to try to iron out technical problems still in the way of the rescheduling of about $2bn of Brazil's $7bn-$8bn outstanding government-to-government debt.

No decision on the Brazilian debt problem is expected to be taken at the meeting here. A French official described yesterday's Paris Club meeting as preparatory, with final decisions taken after further negotiations in coming weeks.

The meeting will also review the Polish debt problem today and tomorrow. Morocco's debt rescheduling request, coupled with the debt problems of Argentina and Venezuela among a number of other countries, are also expected to form part of the Paris Club's discussions this week.

Mr Jose Botafogo Goncalves, head of the international department of Brazil's Planning Ministry, is understood to be taking the opportunity of the meeting in Paris to detail Brazil's rescheduling request to senior representatives of Paris Club countries.

Brazil is seeking the rescheduling of $2bn of its government guaranteed debts including $700m maturing at the end of this year and $1.3bn next year.

The Paris Club meeting is one of several monetary gatherings taking place in the French capital this week. The deputy finance ministers from the Group of 10 major industrial countries will be meeting tomorrow.

This meeting will be largely devoted to the preparation of the IMF and World Bank conference in Washington at the end of this month. The OECD's working party on balance-of-payments problems is also meeting today and tomorrow. The EEC monetary commission is meeting here this week for logistical reasons, in view of the other monetary meetings.

Bonn may yield on car pollution

BY JOHN DAVIES IN FRANKFURT

THE WEST German Government may adopt a more flexible approach in its efforts to bring about a reduction in pollution from motor vehicle exhauts.

A shift in its attitude would go some way towards overcoming the strong reservations voiced by motor vehicle manufacturers to the Government's plans.

Herr Friedrich Zimmermann, the Interior Minister, has indicated that the Government's main concern is to set limits for emissions from motor vehicle exhausts rather than to prescribe the technical way to achieve these limits.

This means that the Government would not necessarily insist that manufacturers equip motor vehicles with catalytic converters if there is some other technical means of reducing the emission of pollutants.

Government officials have made it plain that they see no alternative to the use of catalytic converters by the present target date of January 1, 1986, although other technology may be feasible later.

New blow for Greek business confidence

BY DAVID TONGE, DIPLOMATIC CORRESPONDENT

"WE AIM to create a favourable environment which will ensure suitable conditions for the development of private initiative," Dr Andreas Papandreou, the Greek Prime Minister, announced this weekend.

Three days later, his words have taken on an unexpected twist, as his Government has banged a further nail into the coffin of local business confidence.

By announcing the start of proceedings against one of the country's few successful companies, it has made clear that the party ideologist in the country's first Socialist Government again has the upper hand.

For the past year, these ideologists have lost out to those who argue that the Government's first task must be to set Greece's struggling economy back on its feet. But now the wheel has turned.

Heracles General Cement, the target of the proceedings, has long shone amidst the dross of struggling Greek industry, as it has proved that an active management could overcome the limitations imposed by the size and problems of the Greek market.

Mr. George Tsatsos, its 42-year-old managing director, has presided over a major expansion of the company's sales in the Middle East and North Africa, which has led to its becoming the largest single cement exporter in Europe.

Helped by $160m credits from equipment suppliers, and banks such as Paribas, Citibank, and First National Bank of Chicago, the company has modernised existing plants and just brought into production a new $200m plant at Aliveri on the Island of Euboia.

Profits have been squeezed this year, as prices have been controlled at home and margins have come under pressure in the company's main foreign markets, Saudi Arabia and Egypt.

However, the company expects exports this year to reach a record 3.7m tonnes, with the company benefiting from the low costs of production at its plants, all of which now operate on coal.

Mr Tsatsos himself has long proved an exception to the golden rule of Greek industry, that sons only run into the ground the businesses which their parents have built up.

Initially, he welcomed the Papandreou Government, believing it would bring better economic management to the country.

Now Dr Papandreou has given his personal approval to the Government's actions. Whatever the merits of this particular case, the arguments over whether to bring it reflect the long battle between the pragmatists and the Socialists in the present Government.

This argument dates back to October 1981 when Dr Papandreou and his team inherited a stagnant economy, 25 per cent inflation, and a 15 per cent public sector borrowing requirement.

Nine months later, the pragmatists seemed to win out when Mr Gerassimos Arsenis, brought back from Unctad to head the Bank of Greece, was also appointed to take over Ministerial control of the economy.

Party loyalists who, as Ministers, had been denouncing individual companies for "exploiting the public," were moved to one side.

Little was done before the October 1982 municipal elections, but then the Government began to rein in on expenditure and to retreat from its initial generosity on the wage front.

Last winter, the Government still hoped the economy would revive this year. But as the summer has worn on, it has had to tighten further on the wage front. It has also had to abandon hope of any growth this year, and of cutting inflation significantly below 20 per cent.

One of the key problems has been the Government's inability to encourage any revival of private investment. The problem goes back to 1974, when investment slumped.

In the past three years, the issue has become particularly serious, as businessmen have had to face increased competition following accession to the EEC compounded by first the prospect, and then the reality, of doing business with a Socialist government.

In Greece's case, socialism has meant Government takeover of the pharmaceutical industry, the appointment of supervisory councils, including workers, over public enterprises and mining companies, and confusion on the wage front.

Industrialists also complain at a lack of consistency in policy. Further, a series of threatening public statements by Ministers have caused bodies, such as SEB, the Federation of Greek industry, to say that it has to allow for such threats becoming Government policy.

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EUROPEAN NEWS

European missiles: A countdown to disaster for W. Germany

BY JONATHAN CARR IN BONN

PROTESTS against the arms race are mounting in West Germany as the nuclear weapons talks in Geneva between the super powers enter a crucial phase. Trade unionists and churchmen, writers and artists, students and pensioners are turning out on the streets to try to stop the deployment of new U.S. missiles here, planned for December.

Organisers of peace rallies to be held simultaneously in five West German cities next month expect more than 1m people to attend. The opposition Social Democrat party (SPD), held on the loosest possible rein by its chairman Herr Willy Brandt, seems likely to oppose deployment—or at least to demand that it be shelved—at a special congress in November.

Not a day goes by without a shower of comment on Press and radio or a sharp political exchange about the "missiles issue." It dominates public discussion and with good reason.

West Germany has a greater concentration of nuclear weapons (none of them German) on its territory than any other country. It is the front line state of the North Atlantic Treaty Organisation (Nato) and would be the first to be hit (and probably *wiped out*) *in* any future war. Yet within months it may well be receiving, under the Nato "twin track" decision of 1979, missiles which for the first time for many years could hit Soviet targets direct from German soil.

While several European states have agreed to deploy the new U.S. cruise missiles, the Federal Republic is the only country taking the Pershing-2 missiles (a maximum 108 of them).

While the cruise missiles have a range of over 1,800 miles, they fly at subsonic speeds and would take up to two hours to reach Soviet targets. The Pershings have just over half the *range of the cruise missiles,* which would still carry them close to Moscow from their intended bases in Germany, but they can cover the ground in just over 10 minutes.

Ironically, it is only in West Germany, which has been in the forefront of efforts to improve ties with the East for years, that the weapons the Russians seem to have most cause to fear will be sited.

Chancellor Helmut Kohl and Herr Hans Dietrich Genscher, the Foreign Minister, would be very happy not to have this special burden. But when both seemed publicly to be toying this summer with a solution in the arms talks which might exclude the Pershing-2 missiles, a wave of concern swept across *the Atlantic from Washington.* The Americans asked whether Herr Kohl's Centre-Right coalition, which replaced Chancellor Helmut Schmidt's centre-left alliance nearly a year ago, was starting to waver on the *Nato decision.*

The Bonn Government said quickly that it was not, but it is a *predicament not of its own* making. Its plight is the result of a chain of misjudgments and delay over several years, some details of which have only recently come to light.

The saga began in 1975 when Gerald Ford was U.S. President and Herr Schmidt was Chancellor in Bonn. The superpowers had reached a first accord (Salt-1) limiting their strategic arms and were aiming for a second. Salt underlined in treaty form what was already clear—that the U.S. had lost the lead it had held for years in intercontinental-range nuclear weapons.

Meanwhile the Russians were building up their intermediate-range weapons, which could reach all Europe from Soviet territory but not the U.S. The arsenal is now so big that few experts believe that the Soviets will be ready to destroy it all to prevent new U.S. missiles in Europe. The Nato *alliance* had no direct equivalent on European soil.

Herr Schmidt felt that a grave danger was emerging for his country. The British and French had their own national deterrent nuclear forces as a last resort; West Germany had no nuclear arms and wanted none. But with the new "intercontinental balance of terror" it could no longer be as certain of the U.S. nuclear *shield.* Herr Schmidt *did* not expect a Soviet attack, but he did think Moscow might one day use its superiority in intermediate-range weapons to try to blackmail Bonn politically.

The Chancellor begged President Ford to include intermediate-range arms in Washington's negotiations with Moscow on a Salt-2 accord. At about the same time, the Russians carried out the first test flights of their new SS-20 missile, which has three nuclear warheads, each capable of hitting targets in Europe within 15 minutes of launch.

Mr Ford saw the problem but felt he had to bide his time for domestic reasons. He faced an election in 1976 and was under pressure from Ronald Reagan and his supporters in the Republican Party who were strong critics of Salt. A year later, Mr Ford lost the presidency to *Mr Jimmy Carter.*

Relations between Bonn and Washington plummeted, not least because Herr Schmidt felt Mr Carter did not see the importance of the missile problem. In October 1977, the Chancellor decided to "go public," underlining his concern in a speech in London.

By then the Soviet Union had deployed its first 10 SS-20s, with 30 warheads. The U.S. still felt that its nuclear shield, including especially its submarine-based missiles, was enough to safeguard Europe. *Many U.S. officials were furious* with Herr Schmidt for publicly indicating the opposite. But by January 1979, Washington had modified its stand.

At a summit meeting in Guadeloupe, Mr Carter told the leaders of West Germany, Britain and France that the U.S. would be ready to deploy new American missiles in Europe as a counterweight to Soviet weapons.

All three European leaders urged that first there should be superpower negotiations, with Washington making it clear *from the outset that the West* would definitely deploy the missiles if the talks failed. Herr Schmidt also made a major condition; West Germany must not be the only country to deploy the new missiles. At least one other European non-nuclear weapons state must accept some too. According to Senior German officials there was no detailed discussion at Guadeloupe of missile types, a point which later became crucial.

The talks at Guadeloupe provided the basis of the "twin track" decision taken by Nato in December 1979, by which time Moscow had deployed about 140 SS-20s with 420 warheads. Nato said it would install new missiles from the end of 1983, but simultaneously offered negotiations. The more weapons the Russians agreed to scrap, the fewer the West would deploy, ideally none at all.

Herr Schmidt had grave difficulty in persuading his Social Democrat party to accept *the "twin track" strategy. More*over, his relations with Mr Carter worsened. The Germans had expected the President to stress the key importance of the Guadeloupe accord during a summit meeting with Mr *Leonid Brezhnev, the Soviet* leader, in June 1979. They were shocked to discover that the matter had not been seriously discussed, especially since they learned of this from the Russians first.

*Moscow gave up its opposi*tion to negotiations in mid-1980, and soon afterwards Mr Carter lost power to Mr Reagan. It was November, 1981, before the superpower talks began, by which time the Russians had deployed 250 SS-20s with 750 warheads. It still had 350 older intermediate-range missiles of the SS-4 and SS-5 type in *position.*

Mr Reagan pledged to Bonn from the first that he would "negotiate and negotiate" and the Germans felt he was sincere. But later they had frequent signals that U.S. Administration *hawks* were *exercising strong* influence on the talks. It was also believed that a tough argument between supporters of a softer and a harder negotiating line was going on in the Soviet Politburo. By the summer of 1982 Bonn had some evidence that the Politburo "hawks" had an advantage.

Herr Schmidt's government fell in October 1982. Herr Kohl has an easier job than his predecessor because his Christian Democrats (CDU) and their Bavarian sister party the Christian Social Union (CSU) are far more solidly behind the "*twin track" decision than the* SPD ever was. But he still faces the problem of the Pershings.

Why did Bonn agree to be the only country to accept Pershing-2 missiles, when Herr Schmidt had stressed well before the "twin track" decision that West Germany must not be put in a singular position? Asked this question in public recently, Herr Genscher (who was also Foreign Minister under Herr Schmidt) simply stressed that Pershing missiles had a shorter range than cruises. But even from north Italy or the Netherlands, Pershings could still penetrate deep into European Russia.

The best answer available so far is that because there were already 108 Pershing-1 missiles deployed in West Germany, it *seemed a natural (and cost-effective)* to replace them with the Pershing-2 missiles. This would be easier to present publicly as arms "modernisation," which is what Nato has argued that the "twin track" *decision* involves. But the crucial political, as well as military difference, is that the Pershing-1 cannot reach the Soviet Union and that Pershing-2 is far faster than the cruises. It seems that at the time the *decision* was *taken,* these elements were not given the weight they deserved.

Little wonder that Herr Kohl and Herr Genscher publicly mused this summer about an arms control solution to the *lines of the "walk in the woods"* proposals. These ideas, broached by the chief Soviet and U.S. negotiators in Geneva in July, 1982, would limit the number of SS-20s and cruise missiles, and do away with Pershing-2 deployment altogether. The *scheme* was later rejected in Moscow and Washington, but a solution along these lines is *clearly in West Germany's* urgent interest.

The Soviet Union now has more than 350 SS-20s with over 1,000 warheads in place.

The informed view in Bonn is that it will probably be impossible to do without a "weapons mix," meaning that some Pershing and cruise missiles will have to be *installed.* The best *hope* is that through an interim accord in Geneva the Pershings can be deployed only in "symbolic" (very small) numbers.

But a growing number of West Germans want no new *missiles at all. Herr Schmidt* has made clear publicly he still believes the "twin-track" decision was right, and urgently warned SPD colleagues in private this week not to prejudge the result of the Geneva talks by giving a premature "No" to deployment. But the party mood is not with him.

Herr Kohl is standing firm and stressing that "policy is not made on the streets." But he faces a challenging autumn and badly needs all the help he can get from Washington.

In Bonn's view the U.S. must not only negotiate seriously but be clearly seen to be doing so. If Western deployment is to go ahead, redoubled efforts will be needed to convince many Germans that Soviet, not American, intransigence is to blame.

Pershing-2 deadline will be met, says U.S.

THE U.S. plans to complete test-firing the Pershing 2 missile by the end of this month to ensure that the weapon is ready for deploy*ment on schedule.* Reginald Dale writes from Washington.

Despite some spectacular failures—the first test missile exploded dramatically after 17 seconds—and what the Pentagon describes as some "*stupid*" *attacks* in the Press, there is "no question" of the deployment date slipping, *the* army says.

Unless there is an unexpected breakthrough in the U.S.-Soviet arms talks in *Geneva,* the first battery of nine Pershing 2 launchers will be deployed in West Germany in December.

Over the following three years, Pershing 2s will progressively replace Pershing 1As in three U.S. bases at Neckarsulm, Schwäbisch Gmünd and Neu Ulm. The Pershing 1As, which still have *several* years *of* life, will be stored in the U.S., the Pentagon says.

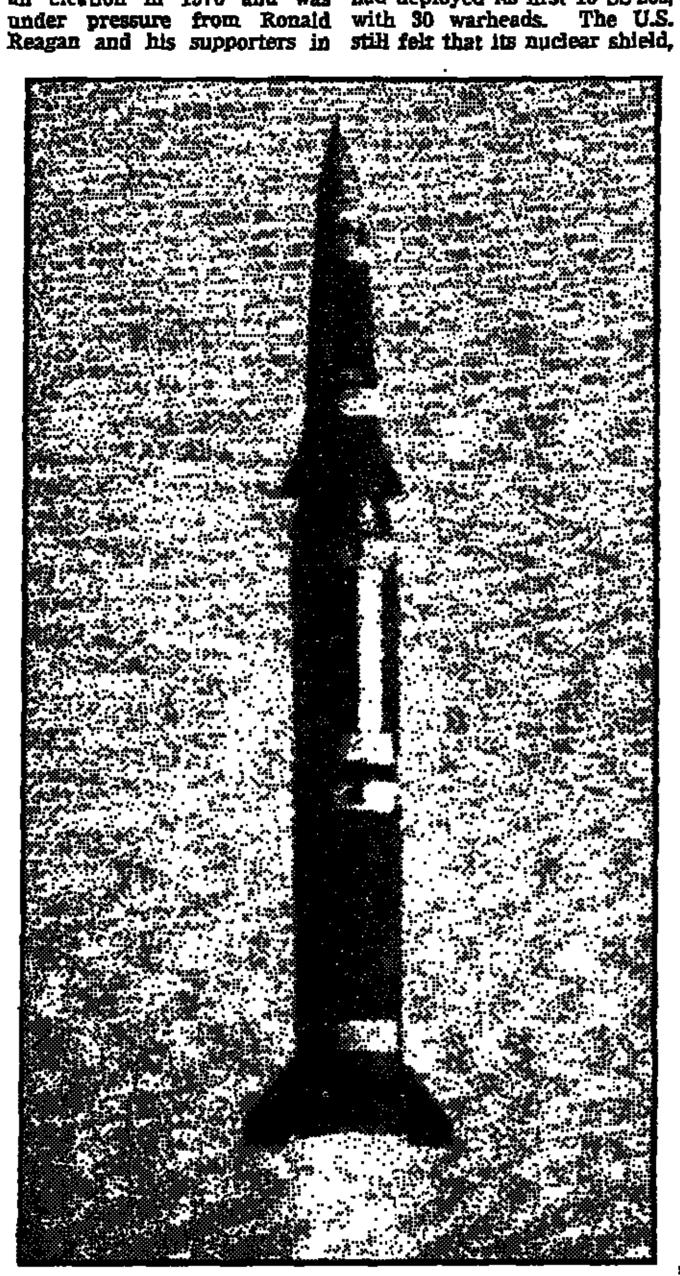
The downing of the Korean airliner has now entered the argument about deployment of the Pershings on both *sides. Supporters of the mis*siles say that the incident proves that it is even more necessary to have strong Western defences.

Opponents argue that the airliner incident has demonstrated that Soviet air defences are unlikely to be able to distinguish between a nuclear and a non-nuclear attack in such a short warning time. The West German army has 72 older Pershing 1s with non-nuclear warheads.

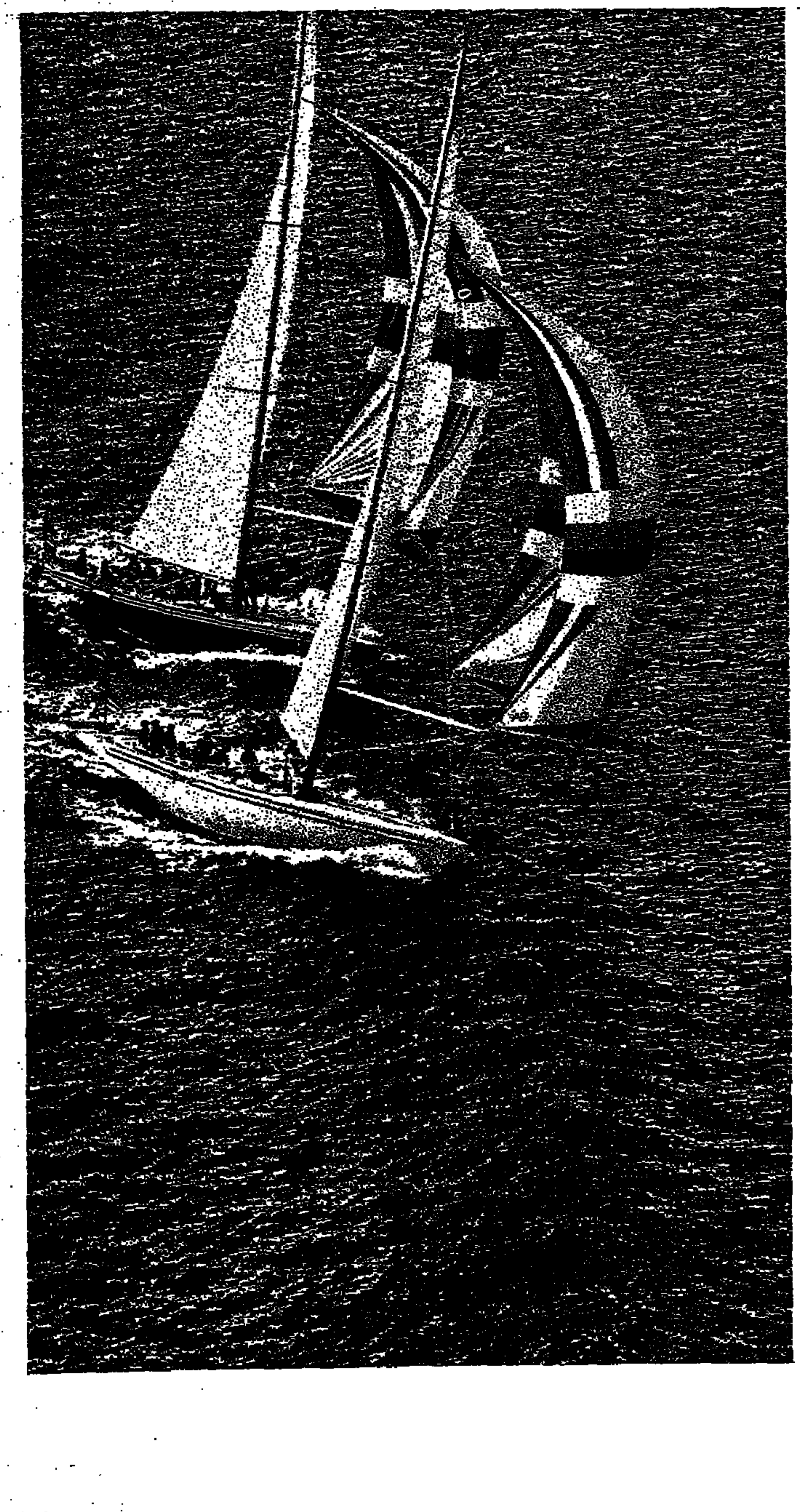
The Pentagon stresses that the Pershing 2 is not an "attack weapon." It would be used, only after authorisation by the U.S. President, to destroy tank concentrations, supply trains, *logistic* centres, ammunition dumps and bridges well behind the Warsaw Pact front line—if *Nato was losing* a conventional war launched by the Soviet Union.

The Pershing 2 reaches its target by comparing live radar reflections with "reference scenes" stored before *launching.* "*It then makes* course adjustments based on the comparison, producing almost pinpoint accuracy, hence allowing the use of smaller nuclear warheads that produce less unwanted collateral damage," the Pentagon says.

In times of emergency, the 36 ft long missiles would be deployed outside their bases on the trucks from which they are launched and kept on the move along the West German road system. They have to be tipped up by an erector on the back of the truck before firing.



● Pershing-2 at a test firing.



OVERSEAS NEWS

Saudis ask U.S. to hold fire in Beirut amid mediation effort

BY PATRICK COCKBURN IN BEIRUT

U.S. MARINE Officers commanding the 1,200-strong American contingent of the multinational force in Lebanon were at pains yesterday to emphasise that President Reagan's decision to allow local commanders to call in air support in their own defence without reference back to Washington has not changed their basic role.

Saudi Arabia has asked the U.S. to delay any military action for 48 hours while the Saudi mediation effort continues in Damascus. Marine officers say that air strikes will, in any case, be purely defensive in intent and will be used only to suppress hostile artillery endangering the 5,000 members of the multinational force.

"We are still a peace-keeping force," said Col Tim Geraghty, Commander of the marines ashore. Behind him a lanky Marine was shovelling red earth into sandbags to strengthen the Marines' position.

The problem for the Marines is that they are coming under small arms fire from the nearby suburb of Chouaifette, which is held by the Druze, as well as *from the mountains. It* would be difficult to call in heavy air strikes in the highly populated area around Beirut without causing any civilian casualties.

The 2,500-member Italian contingent looks after the small area where the local population may total upwards of 500,000, mostly members of the Shia sect with little sympathy for the Government. There is always the chance of the Marines coming under fire from these areas as well as from the Druze.

While Beirut waits to see what degree of support the U.S. is prepared to give the Government, the fighting in the mountains has tailed off. This is probably because the Druze have taken most of the Christian positions but have been unable to dislodge the regular *army garrison at Suq al Gharb.*

Prince Bandar bin Sultan of Saudi Arabia has continued his mediation talks with Syrian President Assad in Damascus. Prince Bandar has been joined by Sheihk Sahah al Ahmed, the Kuwaiti Foreign Minister, who has a reputation in the Arab *world as a mediator. Negotia*tions have stalled because the Syrians and the Druze continue to demand that the army withdraw entirely from the mountain area and the government in Beirut refuses to concede this.

Meanwhile, Mr Richard Luce, *Minister of State at the* Foreign Office, has arrived in Beirut, where he will inspect the 101-strong British contingent.

"Russia and U.S. were near to war in 1967," Page 6

Top post for Thai general

BY CHRIS SHERWELL, SOUTH-EAST ASIA CORRESPONDENT

GEN ARTHIT KAMLANG-EK, Thailand's army Commander-in-Chief, has been appointed Supreme Commander of the country's armed forces, a position which is expected to give him increased influence in national affairs and to buttress the role of the Thai army in politics.

The appointment means that Gen Arthit, 58, holds the key position of Supreme Armed Forces Commander, army commander, co-ordinator of internal security operations and Ba'/;kok's region commander.

The previous post of Supreme Armed Forces Commander was held by Gen Saiyud Kerdphol, *who retires aged 60.*

Gen Arthit's ascendancy has been sharpest over the past two years, since he was credited with playing the key role in preventing the success of the April, 1981, coup attempt against Gen Prem Tinsulanonda, the Prime Minister.

He is said to be supported strongly by the junior ranks of the army. But he has also been criticised from higher levels and from civilian politicians who wish to see the armed forces' influence curbed.

Earlier this year Gen Arthit was widely believed to be behind the attempt to change the country's constitution in order to entrench the military's *influence in the legislature.*

Namibian mines 'will still need foreigners'

By J. D. F. Jones in Johannesburg

THE NAMIBIAN mining industry after independence will continue to depend on foreign partners, even if the present companies in the territory withdraw or are deemed unacceptable by the new government.

While the long-term aims of the South West Africa People's Organisation (Swapo)—which is most likely to form the first independent government—are for mines and other major industries to be publicly owned and operated, a considerable transition period would seem inevitable.

These are among the conclusions of a new study of the Namibian mining sector, published today by the London-based Catholic Institute for International Relations.

The study analyses the *operations of the major mines,* including De Beers' Consolidated Diamond Mines (CDM), Rossing Uranium, controlled by RTZ, and Tsumeb, the copper mine operated by Newmont Mining of the U.S.

A newly independent government will have to confront two groups of issues, it says. First there will be the question of how to increase state control and reach acceptable and stable agreements with foreign companies.

Secondly, the Government will want to build up a Namibian participation in the industry, in which the key task will have to be a plan for Namibianisation, including such things as a national mining service.

The study notes that the Swapo programmes do not contain specific policies for the mining industry post-independence.

Foreign expertise will be needed, it says, and the problem will be how best to control it and use it. One option for foreign partners would be to retain the present companies, whose advantages include a knowledge of their deposits and their position in world markets.

"Mines and independence" is published by the Catholic Institute for International Relations, 22 Coleman Fields, London N17AF.

Bankers worry about Philippines' stability

BY EMILA TAGAZA IN MANILA

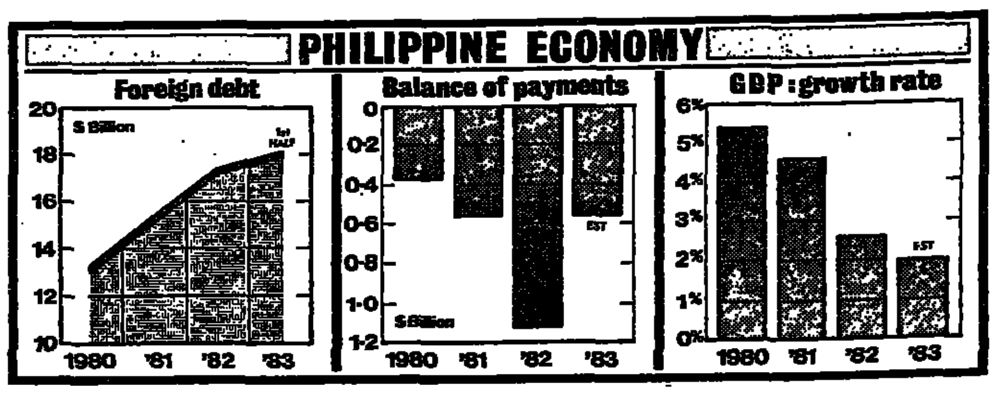
HOW DO you cope with $18bn (£12bn) of foreign debt when the flow of foreign exchange into your country is insufficient to service the debt and the country's political stability is in serious doubt?

The question gnaws at the Philippines in the wake of the assassination of Mr Begnino Aquino, the country's leading opposition politician. Asia's third largest borrower is now feared to be treading the path followed by Mexico and Brazil.

The $18bn outstanding, $4.6bn is in revolving trade-related credits. Annual interest and amortisation payments reached $2.24bn last year, up 27 per cent from 1981. But foreign exchange inflow has been much less resulting in a current account deficit of $1.6bn at the end of July.

To meet interest payments, the country will need to borrow more, but foreign banks have become wary of further lending to the Philippines and the prospect of a debt rescheduling has reared its ugly head.

Creditors have good reason to feel nervous. The Philippines is besieged with both economic and political problems. Economically, Manila's policy of borrowing during the 1970s inflationary boom, assuming it could pay off the loans with ever-growing export sales and more new loans, has been hit by the recession in the 1980s. Exports have suffered a bad heating: the balance of payments deficit hit a record $1.1bn last year.



During the first half of this year, the deficit reached $562m. Although the central bank is trying to hold it down to $800m for the whole of 1983, the figure is more likely to reach $1bn.

New loans have become more expensive and fairly difficult to come by. Foreign bankers, particularly the Japanese, have shown little enthusiasm in committing funds.

Politically the consequences of the assassination of Mr Aquino have deeply perturbed foreign bankers. The suspicious circumstances surrounding the slaying have made them doubt whether President Ferdinand Marcos is still firmly in control.

If President Marcos's tight security failed to prevent the assassination, would he be able to prevent other political groups from trying to wrestle power from him, the bankers ask. A struggle for the succession among ambitious political factions which could lead to a bloodbath is feared.

There has also been anxiety over the state of the President's health, with speculation about a kidney ailment, although he has personally met bankers and businessmen, recently rumours persist that he is ill.

Despite the political and economic uncertainties, and the lenders' wait-and-see stance, the Philippines can be expected to try to avoid a debt rescheduling at all costs. Even if most banks freeze new loans the country seems to have alternative ways of meeting its obligations.

Austerity measures have been introduced by the central bank designed to trap as much foreign exchange as possible.

The measures include:

- Further restrictions on short-term foreign borrowings by private and Government companies.
- Import controls on more than 200 products.
- The use by importers of deferred letters of credit which will enable them to pay for purchases up to 180 days after delivery of the goods, instead of the usual 90 days.
- The reduction of private commercial banks' foreign exchange reserves and the sale of the excess dollars to the central bank.

These austerity measures, plus drastic cuts in the budget this year and next year, will exact a heavy price on the country's real growth rate which is expected to fall this year to 2.6 per cent. The IMF estimate is only 2 per cent.

Apart from the foreign exchange that will accrue from the austerity measures, the country has other good alernative sources of funds to help bridge deficits and debts falling due in the second half of this year. Bankers say that the Philippines will need about $400m in short-term loans in the next four months to refinance maturing debts.

These alternative sources include:

- *$100m still available from* the IMF standby facility for 1983;
- $200m from foreign reserves, which currently stand at $2.3bn, and which could be reduced to $2.1bn;
- $300m from the private commercial banks' foreign reserves which are estimated to stand at more than $1bn.

Some of the bigger U.S. banks which have high exposure in the Philippines have indicated that they will continue to inject fresh loans even in smaller amounts.

President Ronald Reagan is due to visit Manila next month, which will help restore the confidence of doubting U.S. banks. The State Department has declared that Mr Reagan will cancel his trip to the Philippines only if the U.S. get irrefutable evidence that there was official complicity in Mr Aquino's slaying and that the political situation is falling apart.

Australian energy hopes dimmed

BY MICHAEL THOMPSON-NOEL

HOPES of a massive uplift in Australian exports of coal, gas and uranium, over the next two decades now seem "excessively optimistic" said the National *Energy Advisory Committee, in* a report published yesterday.

Because of the change in outlook for demand, said the report, it appeared there had been over investment in some Australian energy sectors—notably coal. The report said the picture had not been improved by excessive State Government charges, wage pressures, and strikes, which had harmed the country's competitiveness.

At the same time the committee says the Government should urgenty clarify its stand on the mining and export of *uranium. Hampered by contra*dictory Labor Party policies on uranium, the Government has been struggling to rationalise its viewpoint and may spell out its position next week.

*The Energy Committee's re*port was issued in Canberra yesterday by the Minister for Resources and Energy, Senator Peter Walsh.

The report said earlier energy export projections were no longer valid but said there would still be considerable opportunities. Three years ago, it was estimated that by the end of the 1980s, Australia would be exporting 180m tonnes of coal 14,000 tonnes of uranium oxide and 6m tonnes of liquefied natural gas (LNG).

However, these estimates have *been scaled back — as have* estimates of the scale of Australian resources investment.

Last year, it was estimated that 148 resource and infrastructural projects worth A$32.3bn (£18.7bn) in 1981 dollars were either definite or had a better than 75 per cent chance of starting before 1990. But the estimate now looks optimistic.

- The recession has dramatically reduced the number of working days lost because of strikes in Australia. In June this year, 100,500 days were lost, compared with 174,500 in May and 235,900 in April. In the year to June, 1983, 2m working days were lost, against *3.8m in the year to June, 1982.*

U.S. to boycott meeting after Delhi ban on Israelis

BY JOHN ELLIOTT IN NEW DELHI

THE U.S. Government is boycotting an international energy conference in New Delhi next week because the Indian Government has refused to give visas for delegates from Israel to attend.

The Indian Government's line follows a lon;-standing policy of support for the Arab cause, and opposition to what an External Affairs Ministry spokesman described yesterday as Israel's "continued occupation of Arab homeland and violation of United Nations Resolutions."

Diplomatic relations are limited to an Israeli consular *office in the port and commer*cial centre of Bombay.

The World Energy Conference takes place every three years in a different country and will bring together more than 1,500 delegates from over 70 foreign countries, and over 1,000 from India.

The conference's international committee will decide later this week whether to admit China which does not yet belong to the conference organisation itself. Since the conference is being held for the first time in a developing country, many delegates believe that China's exclusion is illogical and approval for its admission *thought likely by senior officials.*

That's £50,000,000 we'll never see again

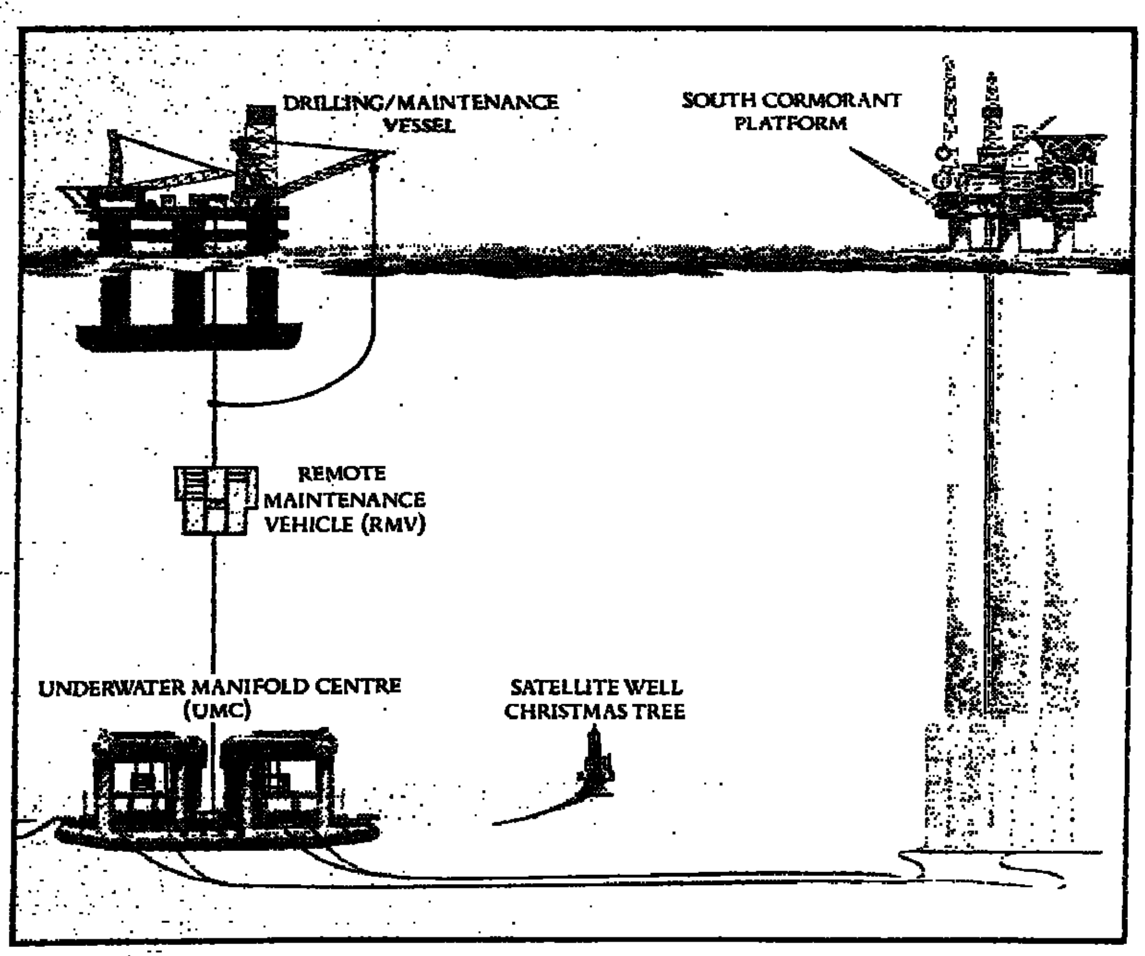
About a year ago, the newest of our oil production platforms sank to the bottom of the briny.

83 fathoms deep she lies: half the size of a soccer pitch; as tall as a four-storey house; and developed at huge cost by Shell and Esso.

Then one day this May, our sinking fund began to pay off. Oil flowed from the North Sea's first fully automated undersea production system.

Our UMC (or Underwater Manifold Centre) has been designed to work for 25 years without a human visitor.

It's controlled by humans, of course, but they're 4½ miles away, high and dry on a conventional platform.



Inspection and maintenance are done by robot; or, even more cunningly, by tools sent through the flowlines.

This UMC can handle up to 9 wells and will average 30,000 barrels a day. But its importance is far beyond its output.

Such systems will greatly increase the amount of oil we can get at: from wells that would otherwise be uneconomic; and from depths hitherto unplumbed.

Clearly a good thing for Britain.

The enterprise, which will cost about £360 million all told, has also been a great incentive to the many British companies who've worked with us.

There's McEvoy for instance, in rural Gloucestershire, who've made our 24-foot Christmas Trees (as well-head valves are fondly known).

There's VO Offshore Ltd (formerly Vickers Offshore) who designed the main structure.

And there's Ferranti, who expanded their own horizons while producing the amazing control system.

These and many others can hope for orders from around the world, because they joined us in the deep end.

You can be sure of Shell

Ford to close U.S. steel plant

By Terry Dodsworth in New York

FORD MOTOR of the U.S. is to close its Rouge steel plant in Detroit in a move which emphasises its present strong line on wage concessions.

About 3,000 hourly-paid workers and 850 staff could lose their jobs over the next 12 months as a result of the decision. At its peak employment levels in 1979, the plant employed a total of 6,150.

Ford explained its decision on the ground of the high labour costs at the plant, which it claimed were running at $5 an hour more than competing steel plants.

The United Auto Workers Union has rejected this claim and refused attempts to reduce pay and benefits at the Rouge steel complex, saying that Ford has surplus capacity and had, in any case, been looking to close down some plants.

The Rouge steel mill was once one of the showpieces of the highly automated and centralised Ford operation at Dearborn, near Detroit. It supplied most of the company's sheet steel for vehicle manufacturing.

Americans 'nearly had war with Russians' in 1967

BY ANATOLE KALETSKY IN WASHINGTON

THE U.S. and Soviet Union came "damned near" to war in 1967 and a part of North Carolina was saved from accidental nuclear destruction by a single safety switch, after the crash of a U.S. Air Force bomber in 1961, Mr Robert McNamara, a former U.S. Defence Secretary, revealed yesterday.

Mr Alexei Kosygin, then the Soviet Prime Minister, called President Lyndon Johnson on the Moscow-Washington "hotline" for the first time in June. 1967, after a misunderstanding over U.S. military manoeuvres in the Mediterranean during the Six-Day War between Israel and the Arab countries.

He gave President Johnson a "very tough" message: "If you want war, you will have war," according to Mr McNamara, who was then Defence Secretary. Mr McNamara, who was speaking at a press conference to publicise a foreign affairs magazine article in which he argues that "nuclear weapons serve no military purpose whatsoever," did not disclose the precise U.S. fleet movements which defused this crisis. He said that such details remained classified.

He also described an accident which nearly produced a nuclear explosion over Goldsboro, North Carolina, which would have been 1,800 times more powerful than the bomb dropped on Hiroshima in 1945. A B-52 bomber which crashed on a routine mission, accidentally released two 24-megaton bombs in January 1961, he said.

One of the bombs broke up and contaminated an area with plutonium radiation. But the arming mechanism of the second accidentally went through six of the seven manoeuvres required for detonation, Mr McNamara said. Had the bomb gone off it would not only have produced catastrophic destruction, but it might also have been misconstrued by the Pentagon as a Soviet nuclear strike, Mr McNamara implied.

He added that, despite the official U.S. strategic doctrine that any Soviet attack could be met with a nuclear response, Presidents Johnson and Kennedy both privately resolved not to use nuclear weapons under any circumstances unless the Soviet Union first did so.

West's ban on Soviet flights begins to bite

THE BAN on flights to and from the Soviet Union will bite much deeper from today, when the 15-days' restriction by governments on Aeroflot services starts, following the 60-days' ban already imposed *on Western flights by many* National airline pilots' associations, writes Michael Donne.

Already there are reports of increasing difficulties for Western travellers seeking to fly to and from the Soviet Union, with queues at airline offices in Moscow

Most pilots' associations throughout North America and Western Europe have now either introduced their 60-days' ban on services by their own airlines to and from the Soviet Union, or are about to do so.

Pilots in the UK, Scandinavia, Finland, the Netherlands, Italy, Spain Switzerland the U.S. and Canada have imposed the ban, while the West German pilots are expected to do so shortly. Japan is joining in, and Portugal is likely to, although Austria has declined to

In Australia, a 60-day ban on "commercial associations" with Aeroflot was announced. It was not immediately clear whether this amounted to a ban on that airline's flights to and from Australia. It follows bans on the carriage *of Soviet diplomats* by air throughout Australia, and cancellation of visits to Sydney by Moscow civic officials. Bilateral trade talks will go ahead next month however, along with negotiations over wheat sales.

Pilots in France, Greece and Ireland want to participate in the flights ban, but have been frustrated. In France, management pilots, not members of the local national pilots' association, have been taking Air France flights into and out of Moscow, while in Greece the Government has refused to allow the pilots' ban.

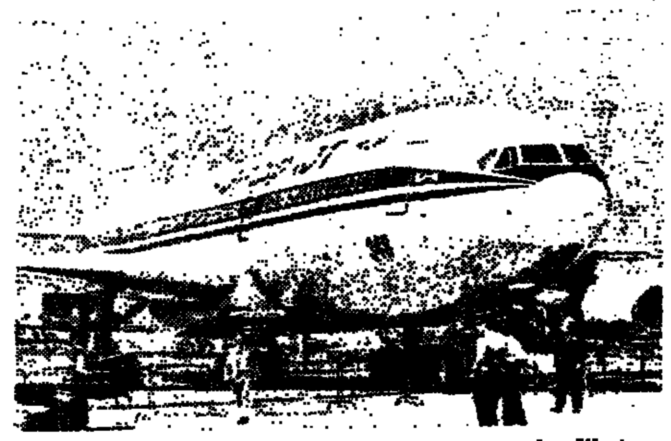
France and Greece (as well as Ireland, which is not a Nato member) appear to be the only countries whose Governments have not agreed to the 15 days' ban approved last week by the majority of the Nato Foreign Ministers. The Swiss Government (which is outside Nato) joined the ban yesterday.

Workers at Heathrow and Gatwick have said they will not handle any Aeroflot flights, and earlier this week, the International Transport Federation, representing transport workers' unions in many countries, told its member-bodies to stop handling or servicing Aeroflot.

This means that ground workers at many airports throughout Western Europe will refuse to touch Aeroflot's aircraft if they arrive.

Aeroflot's prestige hit, but pocket unscathed

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT



Soviet airliner . . . banned from flying to the West.

AEROFLOT is the biggest single airline in the world, made up of a conglomeration of regional airlines throughout the Soviet Union and even including operations such as agricultural aviation, aero-medical services, and the support of remote communities in northern Siberia.

The airline last year carried 108m passengers, of which only about 2.7m travelled on international flights. The airline is mainly a domestic operator, with the vast majority of its 400,000 employees, and its 5,000 fixed-wing aircraft and 2,000 helicopters employed in a wide variety of internal activities.

One example of the size of Aeroflot's internal operation is that over 3,000 of the fixed-wing aircraft fleet are agricultural aircraft for crop-spraying and other duties.

The fixed-wing international aircraft fleet largely comprises long-range four-engined Ilyushin IL-62 and 62M jets, the Tupolev 154 three-engined jets and Tupolev 134 twin-engined jets for short-to-medium range work.

The money earned from international flights can hardly be of economic significance to Aeroflot although the Soviet Union is always keen to exploit any source of foreign exchange. The airline's international operations are conducted more for political and prestige reasons than for economic gain.

For that reason alone, the imposition of Western sanctions against Aeroflot is an effective way of demonstrating Western displeasure over the Korean Jumbo jet incident.

Aeroflot may not have too much difficulty finding ways of getting round the virtual blockage of Western European and North American airspace, and maintaining at least some of its regular flights to other places, such as Cuba.

Aeroflot flies to many places outside the areas where the bans are being imposed. Apart from Eastern Europe, those countries unaffected so far include Nigeria, Algeria, Libya, Tunisia, Morocco, Ghana, Ethiopia, Congo, Senegal, Tanzania, Kenya, Abu Dhabi, Jordan, South Yemen, Egypt, Syria, Kuwait, Afghanistan, India, Pakistan, Sri Lanka, Thailand, Malaysia and Singapore.

Direct flights through Western European airspace to Shannon in Ireland, en route to Cuba and thence to Central and South America will now be denied to Aeroflot.

Many of the countries mentioned have so far shown little interest in any kind of ban, by pilots or *governments*, in retaliation for the KAL incident. African, Middle Eastern and South-east Asian countries, regard the affair as a matter *solely between the U.S. and* Western Europe and the Soviet Union.

This is of vital significance for today's emergency meeting of the Council of the International Civil Aviation Organisation in Montreal, called to discuss both the shooting down of the Korean Jumbo, and possible further civil aviation sanctions against the Soviet Union.

More than 140 states are members of the ICAO, which is the aviation technical agency of the UN. Many of them are friendly to the Soviet Union.

Drugs group fights charge of 'excess' codeine sales

BY CARLA RAPOPORT

BURROUGHS-WELLCOME, a major U.S. pharamaceutical company, has decided to contest U.S. government charges of alleged improprieties in the selling of codeine in California.

The government yesterday *filed a $900,000 (£600,000) civil* law suit against Burroughs-Wellcome, which is the U.S. subsidiary of the Wellcome Foundation in the UK.

The suit accused the drug company of selling "excess and suspicious quantities" of codeine drugs to 10 California pharmacies.

Burroughs said yesterday the company could have negotiated a deal with the U.S. government on the charge, but preferred to fight it out in court.

"*We feel the suit is totally* unjustified," said Mr Thomas Kennedy, Burroughs' vice-president of Corporate Affairs in the U.S.

Burroughs says it has been using the government's own system for reporting its sales

Mexico to prolong dual rate

BY WILLIAM CHISLETT IN MEXICO CITY

MEXICO is to gradually depreciate its free rate for the peso in order to avoid a fresh overvaluation of its currency and prolong the present dual exchange rate system, a senior government official said yesterday.

This was the first indication *at a high level that the government* is considering a regular depreciation of its unchanged free rate which is 149.10 pesos per U.S. dollar. The official declined to be more specific about the timing of this sensitive issue.

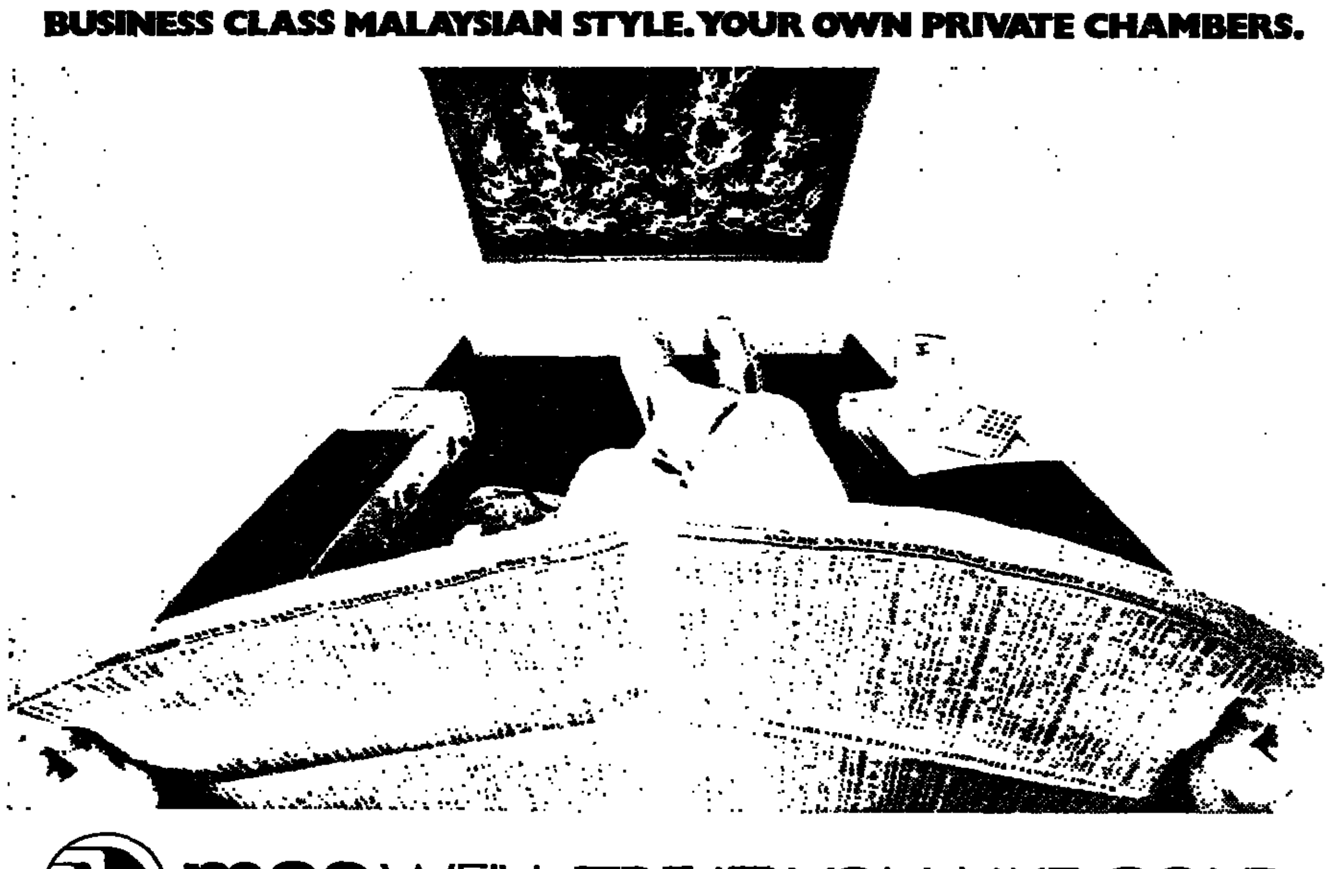
Under the current policy, the free rate and the controlled rate (for debt repayments and essential imports) of 129.68 pesos per dollar, which has been slipping by 13 centavos a day against the dollar all year, were expected to converge into one rate next February.

The official said February was too early a date for one rate since by then Mexico's depleted international reserves would not be fully restored and would therefore be unable to sustain a unified rate and support capital outflows.

He said the dual system would remain in place for most of 1984.

The official pointed out that the private sector, which has a foreign debt of $14bn (£9.3bn) and has been severely battered by the 82 per cent devaluation of the peso in the last 18 months, would also not be in a position to weather one rate.

The official said the determining factor would be the size of the already huge gap between Mexican and U.S. inflation rates.



Coronation scene from the middle ages

Japanese concern grows over farm purchases from U.S.

BY JUREK MARTIN IN TOKYO

JAPAN is becoming increasingly concerned about the price and availability of American wheat, corn and soyabeans, the harvests all of which have been affected by the blistering U.S. summer heatwave.

Officials from both countries will take up the question of securing supplies in Tokyo tomorrow. Ironically, these talks will start immediately after the two sides conclude yet another round of consultations on the apparently insoluble problem of opening the domestic Japanese market more to American beef and citrus fruits.

It is not clear yet if the U.S. intends to use any leverage it possesses on grains, where Japan is heavily dependent on U.S. supplies, to secure concessions on other fronts.

Any attempt to do so could create political problems for the Nakasone government, though the U.S. Administration is unlikely to want to anger its farming community with the Presidential election just over a year away.

Japan relies on the U.S. for 96 per cent of its soyabean imports, 80 per cent of its grain and 56 per cent of its wheat. Given U.S. crop losses this summer, it is particularly anxious to discover the extent of U.S. stockpiles.

Soaring prices for imported grains also contain an inflationary threat. Earlier this week the Bank of Japan said that, overall, wholesale prices in August had fallen by 0.2 per cent compared with July and were 2.9 below August of 1982, testament to the currently negligible rate of inflation in spite of the depreciated yen.

But the imported goods component rose in the month by 1.6 per cent, largely because the cost of foreign foodstuffs shot up by 5.8 per cent. This in turn according to the bank, almost exclusively stemmed from more expensive U.S. feedgrains.

Regarding beef and citrus products, there seems little chance of Japan meeting American demands. Mr Iwazo Kaneko, the Agriculture Minister, said this week the Government wants to conclude an agreement by the time President Reagan visits Japan on November 9-12, but he added, significantly, that he wants a settlement satisfactory to the ruling Liberal Democratic Party which is bolstered by the farm vote.

Japan is trying to show some flexibility and in the fourth round of talks yesterday offered marginal increases in beef and orange quotas. These, however, appeared to fall well short of the U.S. request for more sweeping liberalisation.

Mr Nakasone, the Prime Minister, has recently more or less admitted that it is impossible to reconcile the positions of both the U.S. and Japanese farmers. He is hoping that the U.S. will be mollified by other trade actions — the imminent new import promotion package, for example, and a likely extension of car export restraints into a fourth year—and will not wish to upset increasingly solid political ties, which have if anything improved in the wake of the Korean Airlines incident.

The farm lobby, for its part, is stepping up its campaign against liberalisation. It held a large rally on Monday, while this week travellers on the Tokyo underground have been confronted with huge posters: they protray a pastoral Japan on top of steep cliffs, in front of which ships loaded with cattle and oranges are to be seen: on the cliffs, in big, bold letters, is emblazoned (in English) the single word "stop."

Tokyo is urged to take action on trade problems

A call for Japan to take more effective action to solve trade problems with the European Community, has been made by Mr Peter Barry the Irish Foreign Minister.

Mr Barry, who is accompanying Irish President Patrick Hillery on a one week visit to Japan, is due to take over the presidency of the European Community in July.

He said that Japan's large trade surplus with the Community and restrictions on access of European products to Japan had caused problems in bilateral trade relations.

Mr Barry said the problems, aggravated by the general world economic recession, had caused severe strains in vital sectors of European industry.

He said: "The Japanese government has shown that it is prepared to seek solutions to the problem, and has taken various concrete measures in this direction. However, much more effective action is required."

Mr Barry said that in spite of Japan's action to open its markets, Community exports to Japan had fallen further in the first six months of this year.

Japan had a $10bn surplus with the Community in the 1982 fiscal year ended last March, according to Japanese trade figures.

Mr Barry said Japan and Ireland had agreed to conclude a science and technology pact but the details had still to be worked out.

He noted that Japanese manufacturing investment in Ireland accounted for 16.3 per cent of total Japanese investment in the European community.

Reuter

Car makers oppose extension of curbs

MR TAKASHI ISHIHARA, president of the Japan Automobile Manufacturers' Association (Jama), said yesterday there was no reason for Japan to extend its voluntary car export restraint to the U.S. for a fourth year.

Mr Ishihara, the president of Nissan Motors, Japan's second largest vehicle maker, hinted at the possibility of accepting some form of restraint, saying he would consider new proposals concerning the issue "if the U.S. makes any."

The three-year-old auto export curb, which expires next March, has limited Japanese car shipments to the U.S. to 1.68m units a year.

U.S. vehicle makers are pressing for another year of some kind of restraints. The Japanese Government is currently studying the issue.

Export orders in October-December are forecast to surge 28.9 per cent from a year earlier, but ease 10.9 per cent from the prior quarter, to Y1.3 trillion.

Export sales in October-December are seen climbing 4.1 per cent from a year earlier, but slipping 4.2 per cent from the prior term, to Y3.2 trillion.

The export slowdown from the prior term reflects the strong showing in the July-September quarter.

Federation projections for the still-incomplete July-September period show export orders up 11.1 per cent from a year earlier and up 29.7 per cent from a quarter earlier. Export sales are projected to be up 2.9 per cent from a year earlier and up 6.4 per cent from the prior quarter.

Pakistan's exports to Iran boosted by agreement

BY MOHAMED AFTAB IN ISLAMABAD

PAKISTANI exports will get a major boost during the current fiscal year 1983-84, surpassing the $250m volume of 1982-83 under a new agreement with Iran, finance minister Ghulam Ishaq Khan said yesterday.

Mr Khan said under the new arrangement signed in Tehran last week for 1983-84, Iran will import a variety of goods, including rice (100,000 tonnes), urea fertiliser (100,000 tonnes), wheat (100,000 tonnes), sugar (100,000 tonnes), cotton yarn (20,000 tonnes), synthetic yarn (100,000 tonnes), and iron and steel products.

Iran will also import barley, pesticides, sports and surgical goods, wood and glass.

Pakistan wil limport Iran's crude oil, averaging 10,000 barrels a day, with an option to double the daily intake. Lead, zinc, sulphur, saffron, raisins, oilseeds and medicinal herbs will be other Iranian sales to Pakistan.

Iran started supplying oil to Pakistan last year because it offered a favourable, but undisclosed price. Saudi Arabia, United Arab Emirates and Iraq are its traditional suppliers.

Khan said exports to Iran moved slowly during much of the 1982-83 year, to June 30, because of transport bottlenecks in Iran, but totalled $250m.

Exports in 1980-81 were $230m, which dropped to $78m in 1981-82, due to Iran's war with Iraq, but the volume picked up fast last year, when Islamabad and Tehran initialled a new trade agreement.

The agreement was ratified during the Pakistani minister's visit to Tehran this week.

Iranian exports to Pakistan were $2.6m in 1980-81 which marginally dropped to $2m, and then rapidly rose to $80m in 1982-83, when Pakistan started importing 10,000 barrels of crude oil daily.

Turkey awards contract for dam

By Our Ankara Correspondent

AFTER MONTHS of competition, the tender for the civil works contract for the Ataturk high dam on the Euphrates has gone to a group of relative outsiders in the Turkish contracting world, a consortium headed by Palet Insaat of Istanbul and including Enerji Su of Ankara and Seri Insaat of Istanbul.

Palet had bid T£102.842m ($425m), the lowest of six bids. Competition in recent months had narrowed to Turkish companies as major foreign companies withdrew from the bidding after prequalification procedures were altered in the spring. Only Bechtel of the U.S. remained in a joint venture with Enka of Istanbul.

In the end the state hydraulics agency, which took the decision, had to choose between one large and experienced Turkish company Dogus Insaat of Istanbul, and several groups of small Turkish contractors. Dogus's bid of T£108.065m had been widely tipped to prevail.

The Ataturk Dam will be the largest in Turkey, and will be 600 ft high, have a crest length of just more than one mile and a total lake volume of 48.7bn cubic metres.

Soviet-Indian relations improve

By JOHN ELLIOTT IN NEW DELHI

TRADE RELATIONS between India and the Soviet Union have improved following ministerial talks in Moscow during the past week.

Several initiatives have been agreed to try to restore the level of Russian imports from India and, ultimately, to correct a current large trade imbalance of approaching $700m, that exists now in India's favour.

Russian ministers have given preliminary approval to the export of an extra 1m tonnes of crude oil to India in 1984 for the second year in succession to boost India's imports. The USSR is also to go ahead with delayed contracts for purchasing perhaps $250m to $350m from India before the end of the year in an attempt to get trade back to planned levels.

The list of items to be bought is now being prepared in Miscow. Two working parties have been set up in Delhi to look at possible fresh requirements for engineering goods and commodities from Russia, and there have also been two Indian private sector missions this month to the USSR.

These initiatives are intended to lead to a continued expansion of trade in both directions in future years, and it has been specifically agreed between the two countries that 1984 trade should be at a "much higher level than in 1983."

The initiative follows several weeks of intensive diplomatic and trade contacts aimed at preventing trade relations between the two countries deteriorating further. What has been achieved is a diplomatic advance that now needs to be turned into commercial reality.

Russia is India's largest trading partner, taking 18 per cent of its exports. Some observers believe Russia has been trying to push India into buying more defence equipment and large scale capital industrial plant from its factories instead of from the West.

But there are as yet no signs of the talks leading to orders in these fields

Trade between the two countries has grown tenfold in the past decade. It is carried out only in Indian rupees within an annual trade protocol. India is supposed to buy sufficient goods from the USSR to fund its exports of agricultural, textiles and other goods on which the USSR depends. But this balance has not been achieved for several years.

Russia's exports to India in 1971 exceeded imports by $107m, but by 1980 the balance was in India's favour to the tune of $49m, a figure which grew to $341m in 1981. In 1982, Indian exports to Russia totalled $1.9bn while its imports were only $1.2bn.

India gradually stopped during the 1970s buying large capital plant from Russia. Last year the situation worsened when Russia suddenly boosted its purchases beyond planned levels by some $160m in goods ranging from Xerox copiers to toiletries, many produced in India's Kandla free trade zone in the Indian state of Gujerat. Then, early this year, the sharp fall in the price of oil reduced by some 15 per cent the amount of rupees generated by Indian oil purchases which make up 80 per cent of the imports from Russia.

In the spring Russia retaliated by saying the imbalance of trade had become so serious that it was stopping some purchases, especially luxuries such as cashew nuts

Russia would like India to correct the balance permanently by buying capital machinery, fertilisers and newsprint which India increasingly prefers either to buy at home or for price and quality reasons, to buy in the West.

British-Indonesian buyer credit signed

BY PETER BRUCE

SAMUEL MONTAGU, the UK merchant bank, yesterday signed the first buyer credit between Indonesia and Britain since the Jakarta Government began a radical restructuring of its project priorities in April this year.

The buyer credit, worth £14.74m, is backed by the Export Credits Guarantee Department and covers the major part of a £19.17m order won last month by Dowty to supply mining equipment for the first phase of expansion at the giant Ombilin coal mine in southern Sumatra. Negotiations on the expansion contract lasted two years.

A Dowty subsidiary, Dowty Meco, won the contract from Japanese and German competition and an effort is now underway to put together a British consortium to bid for the second phase of the Ombilin expansion, which could be worth up to $250m.

The contract for the first phase appears to have been secured only after quick intervention by the UK Government, which has put up aid worth £4.43m. Initially, the Government had offered only £470,000 to help train Indonesian engineers to use the new equipment. The extra £4.43m aid was offered in the face of an initial Japanese bid of only $22m, against $34m from the UK and $36m from West Germany.

The contract is certain to lighten some of the gloom in the UK's hardpressed mining equipment sector.

Moscow to buy more ships from Poland

By Christopher Bobinski in Warsaw

THE SOVIET UNION is planning a steep rise in the number of vessels it plans to buy from Poland between 1986-90, reflecting the shift in Poland's shipbuilding industry away from Western orders.

Mr Wladimir Siewierow, a Soviet trade official in Gdansk said talks are under way for the purchase of about 500 vessels from Polish yards

By comparison Mr Siewierow recently told a Gdansk newspaper the current five-year period will see sales of 180 vessels while 1976 to 1980 saw exports of 70 ships to the Soviet Union.

The orders will mean that Poland's export pattern to the Soviet Union will change significantly, with greatly increased sales of small sea and river going vessels

Mr Siewierow said that this year the Soviet Union was providing $17m to finance Polish purchases of Western equipment to be installed in ships built in Poland

In the coming years only about 25 per cent of Poland's shipbuilding production will go to the West, while 50 per cent will be sold to Comecon countries, mainly the Soviet Union, and 25 per cent to domestic shipping companies.

UK NEWS

Prime Minister puts 'unknown' MP in top party post

BY KEVIN BROWN

MRS MARGARET THATCHER, the Prime Minister, caught Westminster unawares last night with the appointment of a relatively unknown MP to succeed Mr Cecil Parkinson in the key post as Conservative Party chairman. He is Mr John Selwyn Gummer, MP for Suffolk Coastal.

Mr Parkinson was appointed Secretary for Trade and Industry after the Tory general election victory in June.

The timing of the changeover was explained as a consequence of Mr Parkinson's commitment to a heavy schedule of overseas visits,

It was presented as a logical move to allow Mr Parkinson time to concentrate on his ministerial duties, and Mr Gummer an opportunity to get a grip on the party machine in advance of the conference.

Mr Gummer, who was a vice-chairman of the party under Mr Edward Heath's leadership, is better known in Conservative circles than in the country. He has a reputation as a powerful speaker. But it was already being suggested last night that the appointment of a man with such a low profile represented a deliberate down-grading of the chairmanship by Mrs Thatcher.

However, he is seen as part of a rising new generation of Tory MP's with the vigour and ability to combat the emerging leaders of the Labour and Alliance parties, of whom, at 43, be is a close contemporary.

Stock Exchange chief sends out radical plan

BY JOHN MOORE, CITY CORRESPONDENT

MEMBERS of the London Stock Exchange will receive a letter today from Sir Nicholas Goodison, the market's chairman, outlining the most radical changes in the market's history.

The changes stem from proposals agreed between the Stock Exchange and the Government in return for the Government exempting the exchange from legal action under restrictive practices legislation. The letter to members is designed to sell a negotiated settlement to the market.

It will also contain resolutions to be put to members at a meeting on October 11 which will allow outsiders to participate in the regulation and government of the exchange. Admission of outsiders is part of the package of changes agreed with the Government in return for the abandonment of the restrictive practices litigation.

As part of the changes agreed, the exchange is to dismantle by stages all the rules which set minimum scales of commission in the market on transactions carried out.

6% loans on offer for job creation

By Tim Dickson

FIXED-RATE, medium-term loans costing about 6 per cent – less than half the commercial interest rate charged in Britain – are now available to tens of thousands of small and medium-sized businesses in the European Community.

This facility, which seems so far to have escaped the notice of many potential borrowers, is a result of a recent, but barely publicised, decision by the European Coal and Steel Community (ECSC) to raise the interest-rate subsidy on job-creation loans from 3 to 5 per cent.

ECSC loans have been awarded to companies affected by closures in the coal and steel industries. They are available either direct from the ECSC or through recognised "agents," which include banks.

Although more than £500m has been taken up over several years, officials in Luxembourg say the response recently has tailed off. They hope that more attractive terms will lead to a rush of applications.

The low cost of the loans is due partly to the subsidy, which will be pegged at 5 per cent for a one-year trial period, and because loans are made in foreign currencies which bear a low average interest rate.

In theory, ECSC's borrowing powers are unlimited, but there is a ceiling (about £20m this year) on the money which can be used for interest rate subsidies.

SOCIAL DEMOCRATIC PARTY CONFERENCE

Thatcher to be our target, says Owen

BY JOHN HUNT

DR DAVID OWEN, leader of the Social Democratic Party, signalled a further shift in his party's policy yesterday. He made it clear that, rather than the Labour Party, Mrs Margaret Thatcher, the Prime Minister, and her economic doctrines would be the main target for attack by the Social Democrats.

Speaking at a press conference at the end of the SDP conference in Salford, Lancashire, he declared: "Thatcher's free ride has ended. She has had her own way for too long in British politics."

The new direction fits in with Dr Owen's speech early in the week in which he sought to move his party's policies to the right with greater emphasis on the market economy and hostility towards an incomes policy in the private sector.

He will address the Liberal Party conference in Harrogate next week and will press home the new ideas he has put to his own conference and argue the case for the separate identities of the two parties in the SDP-Liberal Alliance.

Dr Owen threw his weight behind Mr David Steel's continued leadership of the Liberal Party and said when he had see him a few days ago he was in "fine fettle."

Dr Owen was confident that, in the medium term, the SDP relationship with the Liberals would be all right "provided that David Steel remains a major force in British politics."

Dr Owen believes the Social Democrat strategy for the next four years should be predicated on the assumption that Mrs Thatcher's economic policies would not lead to an economic recovery and that she will be increasingly blamed by the electorate for the continued high level of unemployment.

It is intended that the party strategy should increasingly bite into the Tory vote and that the switch away from continual feuding with the Labour Party will prevent the SDP being branded as "Labour Mark II."

"I have always believed that we should have our sights on Mrs Thatcher," Dr Owen said yesterday.

Although she had been a highly effective party leader, she had not comprehended the effects of her economic policies, which could scar the country for generations. There was no real sense of "horror and alarm" among the Tories at the poor economic prospects and the mood of deep pessimism which was replacing the brief upturn in the economy.

● Heeding the advice of Mr Roy Jenkins, the Social Democrats wound up their conference yesterday by keeping their options open on the form of proportional representation which should replace the existing first past the post electoral system, Ivor Owen writes.

An attempt to tie the party to the single transferable vote system was overwhelmingly defeated

Mr Jenkins, one of the SDP's founding "Gang of Four," emphasised the importance of gathering support from members of all political parties who recognised the unfairness of the present electoral system, which had become a mixture between "a farce and a lottery."

It was not simply a question of unfairness, he said. The present system was inefficient because it could and had produced major reversals of policy based upon relatively minor shifts of opinion.

Mr Jenkins argued that any form of proportional representation would be an improvement on the "first past the post" system.

He praised the courage of politicians from outside the Alliance who backed electoral reform. He underlined the importance of leaving the choice of proportional representational system open so as to maximise the opportunities for securing broad-based support.

Sotheby's deal 'like buying the throne'

BY CHARLES BATCHELOR AND TERRY DODSWORTH

IN MAKING his unexpected bid for Sotheby's, the London fine art auctioneers, Mr Alfred Taubman was acting absolutely true to form. His business life has been sprinkled with unexpected coups – carrying him into a variety of half-related activities, but making him a large fortune on the way.

Yesterday, the Monopolies and Mergers Commission gave him a free hand to proceed with his £82.8m bid for Sotheby's. It saw no reason to suppose that Mr Taubman would use his considerable financial resources "in a predatory way" to reduce effective competition at the auction house.

His personal wealth is estimated at more than $500m and he has more than adequate business credentials to put Sotheby's on the road to recovery. He is the head of a business empire, centred on property development, and shopping precincts but also including 800 franchised restaurants, a radio and television chain and control of the Michigan Panthers professional football team.

His most breathtaking victory was won at the expense of Mobil. Leading a group of wealthy investors, Mr Taubman gained control of Irvine, which owns vast tracts of land in south California, only to sell out a few years later. Commenting on the deal, he said that he had earned $100m for one of his partners, but "more for myself."

His other business interests include non-executive directorships of Core Industries, an electronic products and farm equipment group, Manufacturers National, a banking group, and United Brands, the food products company.

The Monopolies Commission said Mr Taubman provided information about his personal financial resources. The report gave no details, but significantly it revealed that even a man of Mr Taubman's resources would be borrowing about half of the funds needed to buy Sotheby's, an event he has described as "like buying the throne."

Alfred Taubman: personal fortune put at $500m

Elusive in private life, Mr Taubman is known for his passionate interests in both sport and art. The acquisition of the Michigan Panthers carried his sporting interests on to the professional stage. But he is also said to play an adequate game of golf and tennis, and has a gym at his home in Bloomfield Hills, Michigan, where he works out every morning.

A great deal of his wealth has also been poured into his private art collection, some of it acquired at Sotheby's. He has been a zealous buyer for many years and serves as a trustee of the Archives of American Art, the Smithsonian Institution, and the Whitney Museum of American Art.

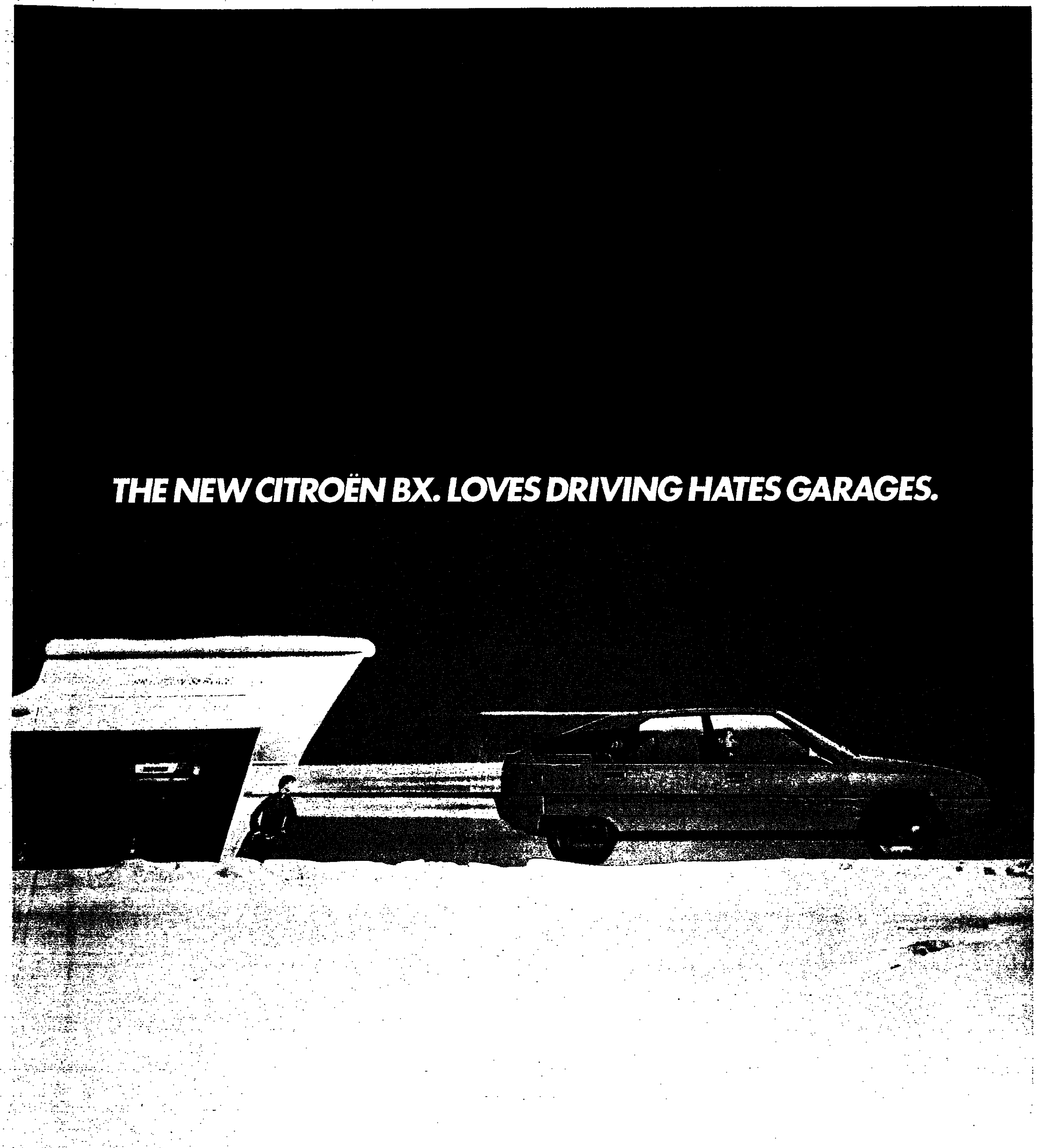
Brake on rise in earnings still in force

EARNINGS are still rising more slowly than at any time since 1967, although low inflation means that people with jobs have increased their real standard of living by more than 4 per cent in the last year.

Figures published by the Employment Department show that the seasonally adjusted underlying percentage rise in earnings over the previous year has remained static at 7¼ per cent for each of the four months April to July.

Axco-Conning

AXCO-CONNING have asked us to point out that its president and managing director is Mr Richard A. Lane. Contrary to an article in our Reinsurance survey of September 5, Mr Alex Cockburn has no connection with the business. We have also been asked to point out that Conning and Co is a firm of insurance consultancy and research analysts.


THE NEW CITROËN BX. LOVES DRIVING HATES GARAGES.

JOBS COLUMN

Pay and perks of managers in UK industry

BY MICHAEL DIXON

ALONGSIDE are details of the 25 highest paid jobs identified by Lloyd Incomes Research's latest survey of managerial pay and perks in the UK. The study, made every other year, covers 104 manufacturing and service - industry companies, ranging from small to big. Like all such surveys, it can provide at best a rough indication of the real state of pay.

When I reported Lloyd's last-but-one survey only four years ago there was more than enough room in the column to list every job with a maximum annual salary of £10,000 or more. The 1983 findings have forced me to confine the table to jobs in which the median salary—that of the person half way down the pay league for the job in question—was found to be at least £12,250. (The lower quartile figure represents the salary of the manager a quarter of the way up the pay league and the upper quartile that of the person a quarter of the way down.)

But I'd bet that I shall not need to jack up the qualifying figure by very much when the company's next findings appear two years hence. For the pay rises since the Conservatives' return to Government in 1979 seem in general to have occurred largely in the first two years of Mrs Thatcher's régime.

The main exceptions to that rule are product managers in marketing, data - processing managers, and executive directors of personnel who would appear to be the stars of the show. Their median has far more than doubled under Conservative Government and has risen by two-fifths even in the past couple of years.

As a result, the executive personnel directors have climbed in the ranking by median salary from 16th place in 1979 to sixth place this year. In doing so they have overtaken both the main-board and the executive directors of production, financial controllers, data-processing managers, general sales managers and the peculiarly poorly rewarded chief engineer.

What is more, although the table does not show it, the executive personnel directors' average cash earnings over and above salary are up over the four years by 285 per cent to £5,024.

But even allowing for the extra earnings, their maximum pay remains well below that of the counterpart executive directors of finance and marketing. And the same goes for the main-board personnel directors and the personnel managers who still languish at 21st place in the ranking as they have done since 1979.

Admittedly the personnel managers' maximum salary is a lot higher at £21,000 than the maximum for the marketing product managers one place above in the ranking by median salary. But in terms of equivalent levels in the managerial hierarchy the personnel managers should surely be compared not with marketing product managers but with their superiors: the marketing managers whose maximum is £27,200.

So to the extent that the survey reflects reality, it appears that however reasonably personnel management is rewarded in the median ranges, it does not compare with finance and marketing when it comes to offering prospects of high pay. If any reader has an explanation of why this should be, I'd be grateful to know it.

The full survey is of course more extensive and goes into far greater detail than my table. Anyone wanting to know more, and with £75 to spare, should contact Carole Fulton of Lloyd Incomes Research at 11 John Princes Street, London W1M 9HB; telephone 01-409 2141, telex 269550.

Job category	Annual salary: Minimum £	Lower quartile £	Median £	% change on median from 1979	1981	Upper quartile £	Maximum £	Other benefits: Avge. extra earnings £	% with company car
Board director—finance	17,000	20,500	24,200	+ 79	+ 1	29,375	51,687	2,305	100
Board director—marketing	17,000	21,645	23,940	+ 84	+ 4	29,500	46,800	3,302	100
Executive director—finance	13,490	17,368	23,341	+ 80	+16	31,360	47,200	3,236	93
Board director—personnel	10,500	19,635	22,800	+ 90	+14	23,800	29,500	1,190	100
Executive director—marketing	12,870	16,145	21,122	+ 76	+ 6	27,000	49,560	4,574	100
Executive director—personnel	12,577	17,920	21,060	+148	+40	28,865	35,700	5,024	100
Board director—production	17,850	20,475	21,000	+ 69	+24	23,400	31,590	3,671	100
Executive director—production	12,811	14,040	17,700	+ 69	+18	20,500	23,600	2,285	100
General sales manager	11,400	14,399	16,900	+ 80	+ 2	21,270	28,880	2,399	85
Finance controller	10,660	13,880	16,800	+ 64	+12	19,600	30,245	1,531	90
Marketing manager	11,115	14,000	16,000	+ 60	+19	17,065	27,200	2,293	89
Retail controller (responsible for all branches in retailing group)	11,400	15,462	15,795	+ 20	+19	16,500	26,250	1,549	100
Data processing manager	8,645	14,625	14,625	+ 63	+39	15,000	28,473	1,363	78
Production manager	9,300	11,700	14,090	+ 66	+22	16,237	19,446	832	89
Divisional sales manager	8,645	13,090	13,590	+ 52	+17	15,430	19,400	1,658	99
Chief accountant	9,849	12,000	13,455	+ 42	+12	15,108	18,918	934	85
National accounts manager (responsible for all key sales accounts in group)	9,368	10,234	13,440	+ 92	+22	15,795	18,480	3,250	100
Administration manager (responsible for total administration of one site)	8,000	11,000	12,980	+ 55	+18	14,040	19,200	973	78
Sales promotion manager	10,530	11,500	12,911	+ 79	+29	14,040	17,920	1,308	100
Product manager (marketing)	8,300	10,530	12,824	—	+35	12,862	13,205	1,305	94
Personnel manager	8,718	11,700	12,540	+ 57	+14	16,065	21,000	1,311	87
Regional sales manager	8,645	11,500	12,415	+ 55	+24	14,160	18,000	2,280	54
Chief engineer	9,785	11,700	12,285	+ 29	+17	13,570	22,251	1,764	88
Purchasing manager	7,790	11,466	12,270	+ 75	+23	14,508	21,400	612	68
Marketing services manager	8,250	10,625	12,250	+ 53	+11	14,250	24,873	835	87

Finance pair

CONSULTANT Orde Wingate of Executive Appointments (18 Grosvenor Street, London W1X 9FD; tel. 01-499 0513) seeks two people for a London-based financial services company. Since he may not name it he promises not to identify any applicant who so requests to the employer without further notice.

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Please write to Sally P. Morse, Personnel Division or call Betsy Moss, Manager, Investment Management on 01-638 2323. Saudi International Bank, 99 Bishopsgate, London EC2M 3TB.

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THE MEXICAN ECONOMY

An IMF success story—if everything goes well

By William Chislett in Mexico City

MEXICO, WHICH one year ago shook the international financial system to its foundations when it suspended payments on $83bn of foreign debt, is—beyond all expectations—already on the road to economic recovery.

Last year's economic nightmare, which saw the collapse of the peso, hyper-inflation and a secret attempt by Sr Jose Lopez Portillo, the outgoing President, to persuade other Latin American debtors to back a joint default, now seems merely a bad dream.

Mexico is far from being out of the woods. But it is already abundantly clear from the results obtained during President Miguel de la Madrid's first nine months in office that the IMF's harsh deflationary medicine is proving to be effective. It has hardly ruffled the surface of Mexico's long-established political system though, in line with the new austere times, Sr Angel Gurria, the Director of Public Credit and the man overseeing Mexico's external debt, has taken to riding pillion around Mexico City rather than use a petrol-guzzling chauffeur-driven car.

Indeed, Mexico's International Monetary Fund programme, which includes halving the public sector deficit to 8.5 per cent of gross domestic product in just 12 months (a wrench which will rank as a world economic record) could go down as one of the Fund's great success stories if the present progress is maintained.

Mexico's turnaround, including a current account surplus of $2.6bn for the first half of 1983, compared to a deficit target for the whole year of $3.4bn, has come as a much needed shot in the arm for bruised international bankers and the hard-pressed IMF.

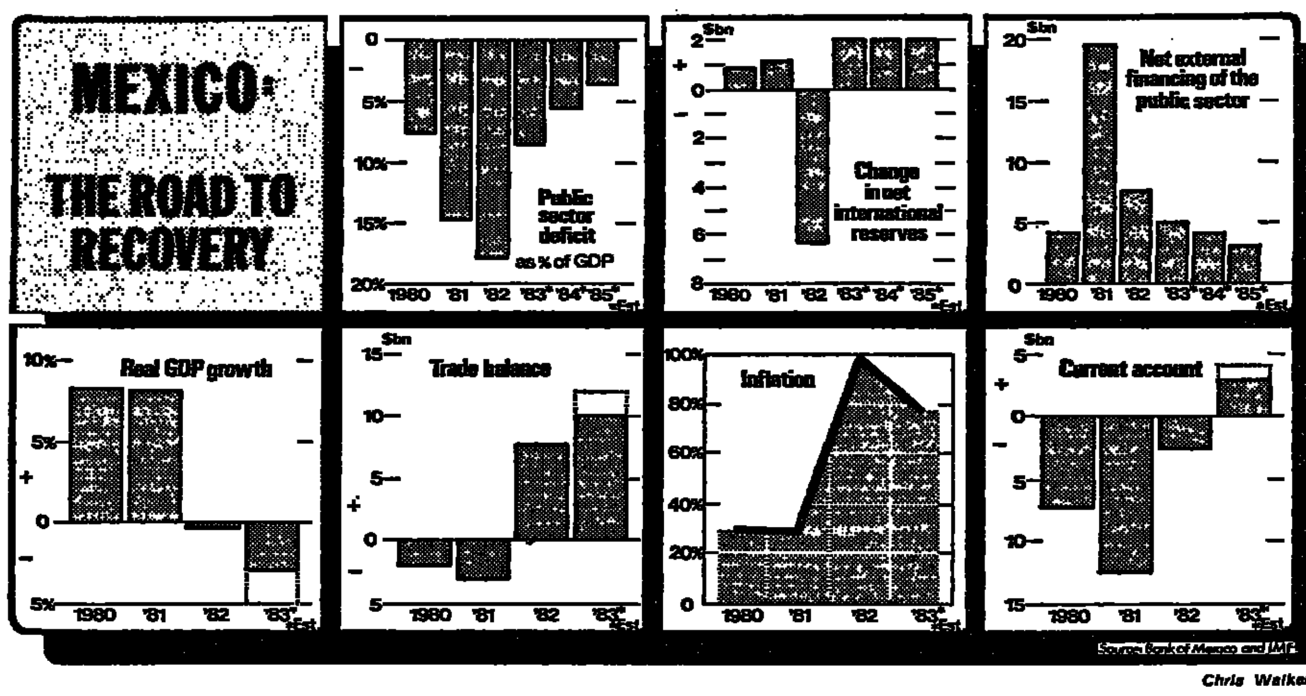
While Brazil, with its $90bn debt crisis, is presenting itself cap in hand to its bankers, Mexico, almost perversely, has deferred drawing down the latest $1.1bn tranche of its $5bn commercial loan, which came due on August 15, in order to reduce debt costs. This deferral is one in the eye for those major U.S. banks which had been openly predicting that Mexico could not survive the year without another jumbo credit.

How has the world's fourth largest oil producer, which squandered its resources and got itself into hock, made such a quick comeback?

The main factor behind the turnaround has been the way in which President Miguel de la Madrid has not flinched from giving the economy instant shock treatment in order to stabilise the situation. He has been able to do this because the broadly based and highly nationalistic Institutional Revolutionary Party (PRI), which has ruled for 54 years, has rallied around him and made major concessions. Trade unions, most of them allied to the PRI, have accepted a 22 per cent cut in real wages in return for greater job security. This policy has stopped the already high level of unemployment from rising too dramatically and minimised the number of company bankruptcies.

Sr de la Madrid, a modest technocrat, has capitalised on the disgrace of the outgoing Government which is passionately loathed by both Right and Left for its widespread corruption and economic ineptitude. The Draconian economic measures have been made more palatable by the President's anti-corruption drive.

Sr Jorge Diaz Serrano, the former head of Pemex, the state oil concern, and the chief architect of the shortlived oil-fired economic boom, is currently in prison awaiting trial for allegedly defrauding the state of $34m.



Chris Walker

Mexico has also been greatly helped by Washington which has quickly come to the rescue with several billion dollars of official credits. The U.S., with the spectre of a human tide of poor Mexicans flooding across the 2,000 mile long border with its neighbour, cannot afford to see Mexico go under.

Apart from inflation, progress has been made in all the key areas. But this has been at the cost of negative growth (about 4 per cent this year) for the first time in 50 years and mounting unemployment.

● **Inflation.** This year's rate is likely to be 78 per cent, down from last year's record 100 per cent, but still considerably higher than the targeted 55 per cent. The reason for the higher inflation is that the Government decided on a much stronger peso devaluation than first deemed necessary in order to enforce structural economic changes at the expense of more costly imports.

The peso is deliberately undervalued at just under 150 pesos a dollar (compared to an exchange rate of 26 pesos at the beginning of 1982) to encourage non-oil exports and the repatriation of an estimated $15bn and punish Mexicans who travel abroad.

The Government also lifted the lid off price controls more quickly than expected. The aim now, after completing the major price rises including a 140 per cent increase in the price of petrol (still below the international price) is to deploy a tight monetary policy and consolidate a monthly inflation increase of 3 per cent by the end of the year. This will enable the Government to bring inflation below 40 per cent next year. The annual rate of growth of the money supply (MI) was 57 per cent at the end of July, down from 62 per cent at the end of 1982.

● **Public sector deficit.** The overall deficit for the first six months was Pesos 396bn ($2.6bn) which was well below the annual target of Pesos 1,500bn. This was achieved despite a Federal Government deficit of Pesos 480bn, thanks to a first-ever surplus from Pemex.

However the overall deficit was not that small when it is taken into account that it was achieved with the Federal Government spendng only 16 per cent of its capital expenditure budget for the year. This fact underscores the enormous financial burden that borrowing puts on the budget. A central banker pointed out that one reason why expenditure is paralysed is that the bureaucracy is "running scared" from the anti-corruption drive. Senior officials are not authorising expenditures until they are absolutely certain there are no irregularities.

After living like kings, officials are now using commercial airlines for trips abroad (the Finance Ministry gives out the flight number of its officials in a press release) because some 750 executive jets and aeroplanes belonging to the government have been grounded by the foreign exchange squeeze. Most of the jets were acquired by the last Government and they did a roaring trade in bringing in contraband and taking out capital.

● **Trade account.** Progress here has been spectacular because of the drastic decline in imports. The trade surplus in the first seven months was $7.4bn, higher than the $7bn target for the year as a whole. The Finance Ministry now says a surplus of $10-12bn for the year is easily feasible. When the Government made its calculations that $15bn would be needed for imports, because the country's industrial capacity had doubled during its 1977-81 boom, it hardly expected that imports would drop by about 60 per cent to a mere $4.3bn in the first seven months without the economy grinding to a halt. It underestimated the flexibility of the economy and the enormous amount of fat created during the oil boom: billions of dollars were spent on consumer goods imports and the peso was so overvalued that companies found it cheaper to import capital goods than to make them in Mexico. A realistic exchange rate is now encouraging import substitution programmes on a significant scale.

But joining the General Agreement on Tariffs and Trade (Gatt), which Sr de la Madrid was in favour of doing in 1980 when the issue was discussed, remains a hot political potato.

Mexico, whose economy is the world's tenth largest (measured in GDP), is the major non-Gatt member. In a recent interview Sr de la Madrid said it would be difficult for Mexico to reconsider Gatt membership because "our economic crisis prevents us from adopting a real trade liberalisation policy." He claimed that "Gatt is a club whose members are breaking the rules" by adopting protectionist measures.

● **Current account.** The spectacular decline in imports, the lower than forecast international interest rates and the stabilised world oil market, which has enabled Mexico to increase its oil price by U.S. 50c a barrel and maintain its 1.5m barrels a day export platform, caused the current account to register a surprising surplus of $2.6bn in the first seven months. The Bank of Mexico believes the surplus for the year will be brought down to about $2bn, as imports will be higher in the second half of the year. But the low level of economic activity (car sales plummeted 50 per cent in the first six months) will probably not warrant any surge in imports.

● **International reserves.** The IMF requirement of increasing them in net terms by $2bn this year will probably be exceeded by some $1bn. The bank of Mexico has been assiduously replenishing its depleted coffers and punctually paid back its $1.85bn credit from the Bank for International Settlements last month. Primary international reserves were $3.5bn at the end of August, compared with $1.8bn at the end of 1982.

● **Foreign debt.** Similarly, the $5bn IMF limit on new debt this year will be easily met. Officials are already mentioning *sotto voce* that Mexico may not need to borrow its limit of $4bn next year.

Mexico's debt, however, will remain a millstone around the country's neck for many years to come. Servicing the debt will be a major constraint against attaining a high and sustained rate of economic growth, which is needed to soak up the 700,000 new entrants to the labour market every year.

The agricultural sector, long the Achilles heel, is in an alarming state of neglect. Food imports are estimated at 10m tonnes this year and estimates for 1984 go as high as 14m tonnes becauce of severe drought.

Luckily for the Government, Washington is providing $1.8bn in commodity credits for food imports.

Interest payments alone will eat up about 50 per cent of this year's merchandise exports of $20bn. Last month almost $20bn of public sector debts falling due between August 1982 and the end of 1984 were rescheduled on attractive terms for the banks. But the problem will keep reappearing. Mexico will be hit with $10.6bn of capital repayments in 1985, the last year of its IMF agreement, and it will almost certainly have no option but to reschedule again.

While Sr de la Madrid has balanced the nation's books, his main problem is still how to get the economy moving again by 1985. Otherwise, his ministers believe, the social strains of the IMF programme could begin to show.

The open rate of "hard core" unemployment has increased from 8 to 10 per cent (in 1981 at the height of Mexico's boom it was 4 per cent) and under-employment, the chief problem, is running at over 40 per cent of the 20m workforce. By the end of the IMF agreement in 1985 about 2m people will have been added to the pool of jobless because of the 1960s baby boom which caused the labour force to grow at an annual rate of 3.8 per cent.

The hope is for 2 per cent growth next year and to restore the traditional rate of 5-6 per cent in 1985. The recently announced National Development Plan sets the ambitious target of making 5-6 per cent real growth compatible with employment growth of 3.5 to 4 per cent. But this goal challenges the widely-held view that economic stability and adequate employment creation are incompatible in Mexico. When the last Government went all out to create more jobs by striking out for 8 per cent growth the economy crashed and Mexico is now paying the price.

Sr de la Madrid's problem is that a sustained recovery will not come through export-led growth or from foreign investment but only through major Mexican private sector investment. However, the private sector is demoralised and its confidence shattered by the policies of the last Government, especially the nationalisation of the 58 private banks, which pushed the state's control of the economy to an estimated 70 per cent.

Companies with total foreign debts of $14bn have been driven to the wall by the 80 per cent devaluation of the peso. Grupo Alfa, the country's largest industrial group with a debt of $1.6bn, is hanging on by the skin of its teeth.

Sr de la Madrid wasted no time in settling the issue of compensation for the banks last month, but he has still not resolved the sensitive issue of the banks' equity stakes in some 400 companies. He is under pressure from the labour sector of the PRI to hang onto the shares and yet he is aware that if he does that, he cannot count on businessmen to support him and bring back their dollars.

Mexico is over the hump. But the enthusiastic applause of international bankers, who have stopped sweating about the country, has still to be given by Mexicans themselves.

THE ARTS

Cinema/Nigel Andrews

Veterans to the fore in Venice

The climax of Fellini's *E La Nave Va (The Ship Sails On)*, shown on the penultimate night of the Venice Film Festival, blasted us with martial music from *Aida*. And highly appropriate too. The quantity and calibre of famous movie-warriors present at this year's "Mostra del Cinema" has been mind-boggling. They processed onto the Lido all but accompanied by camels and elephants and platoons of Nubian dancing girls. First, the VIP-packed jury: Bernardo Bertolucci, Nagisa Oshima, Alain Tanner, Agnes Varda, Jack Clayton . . . and other stellar film-makers. Then the equally illustrious directors who brought (or sent) their films: Wajda, Godard, Fellini, Bergman, Altman, Resnais, Kluge, Olmi, Woody Allen, Costa-Gavras . . . .

To protect these super-persons and their products, cordons and caveats were at an all-time high at Venice. And thereby hung some aggravations. Metal railings surrounded the Palazzo del Cinema; police and security men prowled the steps leading into it; accreditation cards had to be flashed wherever you went; and woe betide you if you tried to enter a film late, for you were all but taken off and clapped in irons in the Hotel Des Bains.

This is, *pace* the best intentions of new festival director Gian Luigi Rondi, no way to run a Mostra. Overlapping programme times at a busy film festival make corner-cutting inevitable, unless with high propriety and punctuality you decide to miss most of the movies altogether rather than miss a scene or two from each. Multiple sampling and quick impassioned commendation *have* to be the rule. Then when the film flies into the critic's home country, he can see and review it with every precious minute intact.

Not that every minute is precious in Fellini's new film. The famous movie ringmaster cracks his whip and orders a mostly British cast (including Freddie Jones, Barbara Jefford and Janet Suzman) to stand on its hind legs for 2½ hours while life on a luxury liner is piquantly, prolixly portrayed.

Dominique Sanda in 'Poussiere d'Empire'

A consortium of opera stars have *hired* the *ship* for a funeral voyage in honour of a lately extinguished diva, whose ashes they are *transporting* at her request to a remote island. Time: 1914. The ship, as we expect from Fellini, is a studio-built leviathan, the sky is an irridescent backdrop and the sea is a sparkling expanse of undulating polythene.

This artifice is both witty and breathcatchingly beautiful. (Even the "smoke" from the funnel is a rigid, painted plume.) But Fellini makes the mistake of "pointing it up": first with the arch joke of a character saying, "Look at the sunset — it's so beautiful it might have been painted" (of course it is painted), then with a last-reel, illusion-exposing cutaway to the studio lights and cameras.

After a richly funny beginning the characters and story fracture into a series of fluttery, tittery vignettes, with Fellini's uniquely slapdash post-dubbing making everyone seem to speak with voices lent by below-deck ventriloquists. But the images at least are magnificent.

Another veteran, Jean-Luc Godard, is in equally erratic but more energetic form. *Prenom Carmen* is like *A Bout De Souffle* seen through the wrong end of a periscope: a turbulent vision of the deep-sea bleeps and clankings of Monsieur G's own imagination. There is wonderful comedy here, not least in Godard's own appearances as a mental hospital patient *(sic)*, complete with three-day beard, hunted eyes and a seen-better-days pyjama suit.

There is also wonderful experiment in the film, as the plot careers off into the affair between a bank-robbing "Carmen" (Maruschka Detmers) and her pursuing, ex-security-guard lover Joseph (Jacques Bonaffé). The couple's antics are intercut —hold onto your hat here— with recurring footage of (i) a string quartet rehearsing Beethoven and (ii) a curling, tempestuous sea. Beethoven sounds and sea noises also alternate on the sound track even when not accompanied by their respective images.

Unscramble this dizzy collage and you're left, as often with Godard, with a narrative nothing. But to unscramble a collage is as pointless as to untie the strands of a Bach fugue. The expressive imbroglio is all, and *Prenom Carmen* has marvellous counterpointing fun with anarchy and allegory, love and larceny, sonata form and sea music, nature and nurture. The film justly won the Golden Lion for the best of the Festival.

By contrast, other famous veterans at Venice now seem to need a prescription for youth elixir. Robert Altman's *Streamers* is his second filmed play in succession: a studio-bound version of David Rabe's hectoring screaming-match about army life. This is one of those peel-off-the-layers-of-delusion American plays like *The Iceman Cometh*, only there's nothing at the heart of this onion save more rhetoric.

Hanna Schygulla's performance in Andrzej Wajda's *A Love In Germany* should be preserved in a glass case in a museum of High Camp. She mews and gasps and pants and vamps as a German small-town *hausfrau* during WW2 who falls in love with a Polish PoW. The Gestapo take a dim view of this and hang the PoW. Miss S is sent off to a concentration camp. But this is only after two hours of overacted shenanigans based on a Rolf Hochhuth story and directed by Wajda as if he cannot quite believe what he has stumbled into.

Alexander Kluge's *The Power of Emotion* is at least vigorously various: a rapid-fire essay on history and passion, social structure and individual feeling. This non-narrative thesis movie takes in everything from grand opera to political propaganda and has some lovely fly-by conceits; like the *Rigoletto* baritone who's asked how he can sing Act 1 "with hope in his eyes" night after night when he knows Act 3 always ends in disaster. "But I don't know it in Act 1" he insists with frequent and seraphic puzzlement.

Elsewhere there's much stylistic ado in the film—iris-shots, montage sequences of paintings and engravings, city-scapes at twilight—but behind it all one keeps hearing the subtle cane-swish of schoolmasterly didactism.

Some films at festivals give pure pleasure, even though they'd never establish a base camp on one's Parnassus of great films. *All About Mankiewicz* is Michel Ciment and Luc Beraud's sparkling 1¾-hour interview film with the director of *All About Eve* and *The Barefoot Contessa*, two of the best tongue-wagging movies in the history of Hollywood wit. This is a sit-and-talk film, but Joseph Mankiewicz's conversation and reminiscences are as scintillating as his movie dialogue.

Daryush Mehrjui's *Voyage au Pays de Rimbaud* resembles an amateur theatrical outing that has somehow run into, or possibly over, Bertolt Brecht. The two actor-Rimbauds (Matthieu Joly aged 8, Nicolas Joly aged 16) mix freely with the camera crew; "Death" wears a black cloak and throws red paint over people; and the film gets no nearer to Africa, Rimbaud's *pays d'or*, than somewhere south of Orly. But it's all deliciously spirited and surreal, and it knocks for six all those deeply earnest TV documentaries of our own that treat artists' lives like holy Eucharists.

I *would* allow Eric de Kuyper's *Naughty Boys* from Holland to pitch camp on the Parnassus foothills. Imagine Sandy Wilson's *The Boy Friend* filmed in long takes in tortured black-and-white with a cast of thickly accented Dutch actors, and you will realise that we are in for some high and gamey incongruity here.

The film is catchily subtitled a "sad musical comedy." The dinner-jacketed male cast-aways of a weekend house party swap songs and witticisms and sudden stricken silences before (and after) being briefly electrified by Linda Polan's appearance as the irrespressible house-owner "Daisy." The film's heart belongs to Dada, and Dada would be proud. It's at once eerie and hilarious.

Space shortage precludes all but an orbital whizz around Thomas Koerfer's *Glut*, sombrely mining the guilt pangs of a Swiss arms-manufacturing family in WW2, or Lam Li's *Poussiere d'Empire*, celebrating Vietnam's "liberation" with a picturesque treasure-hunt parable, or Raul Ruiz's surreally swashbuckling *Island of Pirates* (Errol Flynn meets Luis Bunuel), or Ermanno Olmi's percussive TV-made "symphony of a city" *Milan '83*, or Carl Schultz's *Careful, He Might Hear You* from Australia, a full-blown melodrama about a tug-of-war orphan that should carry flood-warnings for impressionably sentimental viewers. The film also contained the best line at Venice. Snooty hostess to conjuror at a children's party: "I'm not interested in your opinion. Pull a rabbit out of a hat."

Venice pulled several.

Karan Armstrong and Günter Reich

Alastair Muir

Lulu/Covent Garden

Max Loppert

The Royal Opera opens its season with a production of Berg's second opera that remains one of the high water marks of the company's achievement in recent years. Much is wrong with Götz Friedrich's production, but more is right; and in spite of the criticisms that must be made of the casting of the title role, the ensemble remains, on the whole, as finely and tautly responsive as anyone is likely to encounter in this shattering but (it sometimes seems) all but performer-proof masterpiece. London is lucky to have it—though, in view of the scattering of empty seats on Tuesday, word about *that* good fortune will have to be put about once more.

What is so compulsively absorbing and enthralling about *Lulu* is what is also so hard to compass in a single production: Berg's combination into an encyclopaedic whole of seeming opposites, domestic farce *à la* Feydeau and Expressionist *Angst*, a plot that as it descends into cruel squalour and despair is ever more irradiated by the soaring compassion of the score. Friedrich's production sacrifices intimacy: the stage is too open, especially in Act 3, to score the point that *Lulu* is one of the most "indoor" of operas.

It also sacrifices the tightness of dramatic expression that must come from a faithful and unemphatic adherence (as far as possible) to Berg's fantastically complex stage directions. The hoverings of the Animal Trainer, ever prompt to underline the obvious, are an unimproved irritation; the curious encrustations of the enactment of the final, terrible tragedy have not been prised away. Worst error of all continues to be that of not playing the opera in the language of the audience; this indefensible judgment effects a veiling over of what should be clear, funny, and relentlessly gripping.

None the less, something essential and truthful about the work is caught and transmitted. In complicated ensemble scenes —the nightclub, the party, best of all the middle act with its farcical scurryings around the Schon household—the producer's touch is brilliantly sure and sharp. Each of the characters, down to the most minor, registers. One senses, from most of the performers on stage (the opera is revived with only two major cast changes), a new freedom in expressing the music as well as coping with the contortions of the play. Surely no one, experiencing this performance, can be left in doubt of the work's stature.

Karan Armstrong's qualifications for the title role continue to be uneven. The very handsome physique is far too strapping; the voice only just manages the (admittedly near-impossible) vocal writing—this time with less squalling but also less volume. But in her favour, after the hoydenish attitudes of the opening scenes, it must be said that through quick stagecraft Miss Armstrong gains increasingly in emotional directness and simplicity—that much of a true Lulu is assured, even if the full mystery is missing.

No such problems elsewhere: Günter Reich's Schön is a masterpiece of observation and musicianship. Robin Leggate (Painter/Negro), Ryszard Karczykowski (Alwa), and Jonathan Summers (Animal Trainer) are far more assertively in the picture, and in the large cast Georg Paucker's Acrobat and Erik Saedén's Schigolch (with wheezes that are not just funny but *musical*) are outstanding. Donald Grobe, a quondam Alwa, takes over the triple duties of prince, manservant, and pimp; Brigette Fassbaender, lacking Glenys Linos' purity of line, etches a much more complete figure of the tragic Geschwitz.

The greatest gain over the 1981 performances seems to me in Colin Davis's conducting. One still registered the occasional want of sheer fibre in string and brass tone, above all in the Mahlerian phrases with their rising sixths that should lift the spirits on each hearing. But the pacing of the opera is now far more assured; here is room for a relaxed and sometimes quite broad appreciation of detail without loss of tension; and the performance climaxes, as it should, in a third act of quite remarkable sustained breadth and passion.

St Anthony Variations/Sadler's Wells

Clement Crisp

The opening of the Sadler's Wells Royal Ballet autumn season at its home theatre on Tuesday was the occasion for the company to show us a new ballet, and for the management to make an appeal for funds to bring about very necessary extensions to the stage area.

The question of the Wells' stage size and facilities has long been a matter of complaints, and both Stephen Remington, the theatre's director, and SWRB, made eloquent and well argued pleas for redevelopment. The cause is a good one —essential, indeed, for anyone concerned that London have a decently sized home for SWRB and the many foreign companies that do (or should) use the Wells. And the need for greater dance space was never more apparent than in the first London showing of Michael Corder's newest work, *St Anthony Variations*.

This is a plotless, well-reasoned realisation of Brahms' Haydn variations. Mr Corder proposes Sherilyn Kennedy as the statement of the theme, surrounding her with seven couples, and establishing an atmosphere of Elysian calm and order wherein the dances open out with commendable musical sensitivity.

That they should expand more, that the stage confines them awkwardly, was potent evidence of the unsuitability of the Wells as a home for anything but intimate works—and Peter Wright made a telling comment when he noted that the stage is the smallest of any on which the company appears in its national and international tours.

But whatever the physical constraints of the dance area, Mr Corder's gift for lyrical invention, and his ability to use Brahms' formal devices as patterns for his choreography, made for a welcome addition to the repertory, sweetly danced by Miss Kennedy, with Chenca Williams, Susan Lucas and Sandra Madgwick as a secondary trio, and Roland Price, Iain Webb and Michael O'Hare as their cavaliers.

There are unobtrusively attractive designs by Richard Hudson, and a sound account of the score from the company orchestra under Barry Wordsworth: I look forward to getting to know *St Anthony Variations*.

The programme also included David Bintley's *Night Moves*, which benefits from the intimacy of its surroundings, and retains its claustrophobic and secret air, and Kenneth MacMillan's *The Invitation*. This is another victim of the stage, but it also showed in this performance a lessening of dramatic tension because many of the roles are now given with too much vivacity and too little sense of brooding passion. The errant Husband and Wife are still securely played by Desmond Kelly and Galina Samsova; other roles seem victims of an operetta-like charm. The sexual drive of the piece is dissipated.

And as a bonne-bouche, the SWRB dancers—led by Marion Tait—hymned the difficulties of the Wells' stage in highest spirits, with Miss Tait revealing a charming voice and a Liza Doolittle-ish gaiety that could win her stardom in *My Fair Lady* whenever she chooses to hang up her point shoes.

Alastair Muir

Sherilyn Kennedy (centre) in "St Anthony Variations."

The Tempest/Barbican

B. A. Young

A very pretty *Tempest*, and absolutely free of gimmicks, unless you count it a gimmick that, after the shipwreck is finished in a storm of strobe-lights, all the action takes place on the beach where the wreckage lies. The ship is seen head-on for the storm, with the crew on the starboard side and the tiresome passengers on the port, and the mainsail screening the stage. The battered wreckage makes handsome scenery in Maria Bjornson's design, and you might say that this would be the view of subsequent events from Prospero's cell, if the cell were represented by the auditorium.

Derek Jacobi's Prospero is always more father than duke, but he is a very bad-tempered father. He allows Miranda to fondle him in his first scene with her, and he is gentle with his constant reminders to her to pay attention to what he says; but Shakespeare has made him an irritable man, and Mr Jacobi plays him so, with no genuine kindness either to his daughter or to Ariel. Ariel, sweetly played and sung by Mark Rylance, has actually gained his long-delayed liberty before Prospero bids him farewell, and is nowhere to be seen.

Alice Krige really does suggest a girl of 15 or so, and when she tells Ferdinand "I am your wife," she is only acting out what she has read in a book. The knightly young Ferdinand of Floyd Bevan will clearly make a fine King of Naples, but he is a bit idle at carrying firewood, which looks as if it were hollow the way he holds it.

Caliban is hardly deformed, only covered with boils and blisters; it is his scaled cape that makes him like a fish, and Stephano takes that off him for himself. Stephano is Christopher Benjamin and Trinculo is Ian Talbot, and they are not asked to be very funny, to my relief. Of the Neopolitan courtiers, Edward Jewesbury's Gonzalo stands out, for his courtesy as well as his white whiskers.

The magic is pretty and effective. Ariel materialises from a great bowl of goodies as a glittering harpy. Iris, Ceres and Juno, so gorgeously apparelled that their harvest was clearly reaped with a Rolls-Royce combine harvester, make their scene into a tiny opera for three soprano voices. I am bound to say the music by Stephen Oliver takes us back to composers like Somervell: is this what we shall hear in Blondel? The shower of golden foilage is really lovely.

Ron Daniels is the director.

Arts Guide

Music/Monday. Opera and Ballet/Tuesday. Theatre/Wednesday. Exhibitions/Thursday. A selective guide to all the Arts appears each Friday.

September 9-15

Exhibitions

LONDON

The Hayward & Serpentine Galleries: The Sculpture Show – this year the Arts Council's Annual review of some particular aspect of contemporary British Art – takes new sculpture as its subject, with the personal selections of three invited jurors covering altogether the work of some 50 artists. But so wide and various is this field, that this is no definitive show: rather it is its very partiality which makes it so useful, bringing to the domestic public the work of a younger and ascendant generation that has already begun to attract considerable attention abroad. Ends Oct 9.

The National Gallery, Manet at Work: this year falls the centenary of Manet's death, which now, in the knowledge of the great old age achieved by his Impressionist contemporaries, whom he influenced so positively, seems so sadly premature. The great retrospective in Paris this summer clarified the nature and significance of his achievement. Here the National Gallery does not give us anything so comprehensive, but takes eight major works across the range of his career, and by simple scholarly exposition, shows us how he set about his business.

PARIS

Murillo in the Museums of France. In one of its excellent didactic exhibitions the Louvre has assembled, to mark the 300th anniversary of the artist's death, his paintings and drawings – among them the Young Beggar – from French public collections. Plans, photographs and engravings help us to situate the Sevillan artist in the context of his times. Closed Tue, ends October 24. Louvre, Pavillon de Flore (260 3926).

Exotic Flora and Fauna in art from the 17th century to the first half of the 20th century. Louvre des Antiquaires, 2 Place Palais Royal (297 2700), 11 am till 7 pm. Ends Sept 25.

WEST GERMANY

Hildesheim, Römer- und Pelizaeus-Museum, am Steine: The only German venue of Art Treasures from Ancient Nigeria with 100 exhibits bearing witness to the oldest African cultures from 500 BC to 1900 AD. Ends Oct 23.

Frankfurt, Kunstverein, 44 Markt: The first big exhibition of Markus Rätz with roughly 100 installations and drawings by the Swiss painter and object artist. Ends Sept 25.

Munich, Haus der Kunst: The Theo Wormland Legacy is a collection of works by Max Ernst, Magritte, Poliakoff, Antes, Botero, Goller, Rohlfs, Nolde, Jawlensky and other classical modern painters, many of whom were banned by the Nazis. Wormland, an entrepreneur, left most of the pictures he had collected to the Munich Museum, and Hanover's Kunstmuseum received the rest. Ends Sept 11.

Munich, Haus der Kunst, 1 Prinzregentenstrasse: the "Great Arts Exhibition – Munich 1983" has paintings, sculptures and graphics from the last two years by 500 artists living in West Germany. Ends Sept 18.

Nuremberg, Germanisches Nationalmuseum, 1 Kornmarkt: A documentation with 800 pictures and sculptures at the occasion of Martin Luther, the great reformer's 500th birthday. Ends Sept 25.

ITALY

Rome: Musei Capitolini, till end of September an exhibition of the restored Roman Empire period doll, including wardrobe and jewellery, "Crepereia Tryphaena" – a 2000-year-old lost treasure. At the Galleria Nazionale d'Arte Moderna till end September, Ottone Rosai one-man show.

Milan: At the Chiesa della Grazie there are 100 pre-Raphaelite and Neogothic paintings for church windows.

Venice: Palazzo Ducale, 7000 years of China exhibition. Ends Dec 31. Museo Correr: Titian's engravings on show. Palazzo delle Prigioni: exhibition of works by Massimo Campigli.

Florence: Palazzo Pitti: 100 paintings and collages from all over the world by Gino Severini on the centenary of his birth. Orzinuovi (a small town near Brescia) till Oct 16: exhibition of 170 paintings by Antonio Ligabue, 46 of which have never been exhibited so far.

NEW YORK

Metropolitan Museum of Art: 75 works from the 20th century collection of Baron Thyssen-Bornemisza will include ten of his latest acquisitions. Featured in the show will be works by Kandinsky, Picasso, Gris, Dali, Bacon, Freud und Rothko. The recent acquisitions are works by Georgia O'Keeffe, Balthus, Mondrian, Picasso and Natalia Gontcharova. Ends Nov 27.

Pierpont Morgan Library: Drawings of fourteenth to eighteenth-century Italian masters include a large number of sketches for paintings by Canaletto, Piranesi, Titian and Tintoretto. The drawings show off the draftsmanship of the painters and the development of their compositions from these preliminary but evocative works. Ends Nov 13.

Cantor Sculpture Centre: Set against a spectacular view of New York atop the World Trade Tower, 35 Rodin sculptures are displayed in the enlargements and reductions carried out by Rodin collaborator and reproducer, Henri Lebosse. One World Trade Center, 105th storey.

Henry Moore (Metropolitan Museum of Art): The first major retrospective in America for nearly 40 years includes drawing, carving in wood and stone as well as sculptures large and small in one of the highpoints of the Britain Salutes New York celebration. Ends Sept. 25.

WASHINGTON

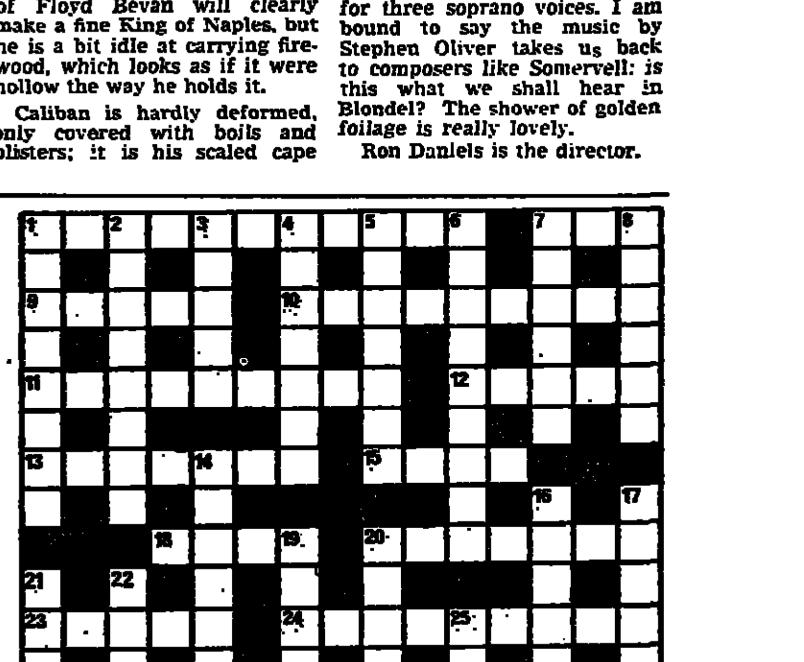
National Gallery: With the recent death of American art patron, John Hay Whitney, his outstanding collection of French impressionists and their successors is on view before dispersal to various museums. Ends October 2.

CHICAGO

Art Institute: 237 works from the Vatican Collection show the range of religious and secular art that Popes collected as important patrons to both artists and archaeologists. Compared to what can be seen in Rome, the travelling exhibit may seem meagre but at the same time, major works like the Apollo Belvedere and Caravaggio's The Deposition can be better highlighted in this carefully chosen and well-groomed selection. Ends Oct 16.

Museum of Contemporary Art: More than 100 works of the provocative, if not outrageous, sculptress Louise Bourgeois comprise the first major restrospective of her work, going back to the 1940s. The sexual and Women's Lib themes of recent times gained the artist a notoriety, here put in perspective. Ends Oct 30.

F.T. CROSSWORD PUZZLE No. 5,217



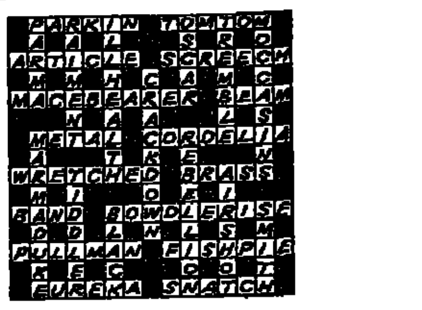
ACROSS

1 Invariable Hansard, fated with non-English translation (4, 3, 4)
7 Idiot, losing head, shows intelligence? (3)
9 A faculty's meaning (5)
10 Minister returns in spirited meeting. Act of breaking away? (9)
11 Hurts, being upset about character in Bible (Book of words) (9)
12 No Corner House! (5)
13 Like children in the nineties? (7)
15 Way of going almost to defeat (4)
18 Goddess to be indicative mood twice (4)
20 Kind of selling that shows no activity (7)
23 Bat badly, getting two ducks. That's not allowed (5)
24 Kind of fish in Gibraltar, magic in India? (4, 5)
26 There's no stopping in these obvious methods (9)
27 Part of deal I bind, used in evidence (5)
28 Prepare a collection of common objects (3)
29 Teacher's part is some achievement! (11)

DOWN

1 He's Titan but changing, wavering (8)
2 Bean that's growing—not in the best place (6-2)
3 Ring about the North in motoring organisation (5)
4 Put down exciting story—Ed. (7)
5 One who notifies to put on mask, we hear (7)
6 Dullness? I, in rut, toped —drunk (9)
7 The Welsh fish to get by craft (6)
8 The capital's right up. A thrill! (6)
14 Sort of graph belongs to him to dress damage up (9)
16 Treat this C.E. i.e. treat as moral (8)
17 Go wrong from exhaustion? (8)
19 Short girl's climbing above the animal to go one better (7)
20 I'm out of date, there's no getting out of it! (7)
21 Posts flowers (6)
22 Offer opposition to the aim (6)
25 A kind of steamer always on the move (5)

Solution to Puzzle No. 5,216



Real Estate Lending Officer

Bank of America is seeking an experienced officer to join its UK Real Estate Group and play a new key role in the expansion of its lending activities.

The successful candidate will be responsible for generating and executing new business of a project related nature and will be expected to make an immediate contribution to the overall success of the group.

Applicants should be graduates with at least six years experience of commercial property transactions and a thorough understanding of related financial and legal considerations.

Career development opportunities are excellent and a competitive salary will be augmented by an attractive package of fringe benefits including car, low interest mortgage, non-contributory pension and free BUPA.

Write with full personal, career and salary details to Peter Cole, Bank of America NT & SA, 25 Cannon Street, London EC4P 4HN.

BANK OF AMERICA

Director of Regulatory Affairs

Greenford, Middlesex

Glaxo Group Research Limited, through the discovery of several exciting new medicines, is making a key contribution to the Glaxo Group's current outstanding success.

The company is seeking a Director of Regulatory Affairs. This is a senior appointment, reporting to the Deputy Director of Research and Development.

The person appointed will lead an experienced team which has worldwide responsibility for ensuring that submissions to regulatory authorities are scientifically correct and meet the highest ethical and technical standards. There will also be responsibility for the effective and efficient management of negotiations with these authorities.

Candidates, probably in their late thirties to mid-forties, must be physicians or scientists with a doctorate or other appropriate qualifications. Extensive experience of regulatory work with a major pharmaceutical company, which has substantial research and development activities in the United Kingdom, is essential.

Salary is negotiable and there is a Group profit sharing scheme. Company car, non-contributory pension, BUPA membership, general relocation assistance, where appropriate, and other benefits reflect the senior nature of the appointment.

Please write in confidence to Dr. W. G. E. Underwood, Central Services Director, at Glaxo Group Research Limited, Greenford Road, Greenford, Middlesex UB6 0HE. Telephone: 01-4223434.

***Glaxo* Operations UK LIMITED**

Remploy

Remploy Ltd. is a Government sponsored company. Its objective is to provide employment for severely disabled people in normal industrial conditions, and to do so cost-effectively.

It is currently still expanding and has some 11,000 employees, of whom over 8,500 are severely disabled, in 21 different physical and mental categories.

There are 94 production units from Aberdeen to Penzance and over 150 products and services, including book-binding, furniture, knitwear, orthopaedic appliances, cartons and boxes, assembly work and protective clothing.

Last year's sales of £50 million showed an increase of 18% over the previous year, obtained in fully competitive conditions.

PERSONNEL DIRECTOR

Remploy's existing Director responsible for the personnel function is moving shortly to other duties on the Board.

A new Personnel Director is now sought who will be appointed to the Board by the Secretary of State for Employment and will be responsible directly to the Managing Director. He/she will lead the Head Office personnel team and Personnel Managers in the field, as well as the Chief Medical Officer and over 80 part-time factory doctors, and may also have other Board responsibilities from time to time.

Remploy's employees are represented by 11 different trade unions (9 blue collar and 2 white collar) who negotiate in three separate groups. The Personnel Director must feel at ease in that complex industrial relations scene.

Considerable effort is also going to be necessary over the next few years to continue the development of more effective personnel systems in the wider sense – communications, participation, wage and salary systems, management development, and training from the shop floor upwards.

Remploy is changing fairly rapidly at present and the Personnel Director will be expected to contribute to the Board's strategic thinking in this respect.

The salary is in the range £21,470 – £27,760. There is a contributory pension scheme and a company car. The job is based at Cricklewood in North London but involves considerable travelling within the UK.

An IPM qualification would be an advantage.

The job is an exciting and rewarding one. There is much to be achieved and, because the personal futures of 8,500 severely disabled people are involved, *the stakes are high.*

If you would like to be considered, please write for a CV form, marking the envelope 'strictly confidential/PD' to:

Trevor Owen, Managing Director, Remploy Limited, 415 Edgware Road, London NW2 6LR.

MANAGING DIRECTOR

For freight container leasing company (part of long established group) West of London. Some years' experience at director level in the leasing field is essential, and astute business mind, sound judgment with strong financial and administrative skills.

Salary circa 20K.

Plus Car.

Please write Box A.8297
Financial Times
10 Cannon Street, London EC4P 4BY

WANTED

Managing Director/Partner

For United Kingdom

We are an American Financial Services Communications Company in need of a senior executive with Marketing, Financial and Management experience. The executive must be able to demonstrate earnings in excess of £50,000 per year.

Send résumé to Chairman
Box A.8296, Financial Times
10 Cannon Street, London EC4P 4BY
All replies held in strict confidence.

FOREX APPOINTMENTS

For Forex/LIFFE/Money Market appointments at all levels discuss your needs, at no cost, with a specialist

TERENCE STEPHENSON
13/14 Little Britain
London EC1A 7BX
Tel: 01-606 6834
20 years market experience

Manager-Credit

Shipping and industry to £25,000

A major European Bank has undergone a period of worldwide development and growth and occupies a leading place in international banking. In London, it is seeking an experienced senior loans officer to take charge of the credit department of some 20 staff.

Reporting to the Manager of the Branch, the man or woman appointed will have the prime task of expanding the Bank's loan portfolio, particularly in the shipping sector. Candidates, ideally aged 35 to 40, should have a strong background in shipping finance and must demonstrate a successful marketing record. Experience of English or North American banking practice would be a distinct advantage.

Salary is negotiable in the range £20,000 to £25,000, plus benefits.

Please write, in confidence, to Peter Greenaway, Ref: AA51/8350/FT.

PA

PA Personnel Services

Hyde Park House, 60a Knightsbridge, London SWIX 7LE.
Tel: 01-235 6060 Telex: 27874

The Sun Life Assurance Group transacts life assurance and pension arrangements and has funds exceeding £2 billion. Its Chief Office (including the Investment Division) is based in London: its Administrative Headquarters in Bristol and branch offices are located throughout the UK.

Investment Analysts

The Group wishes to appoint two Analysts who have attained a degree and/or an appropriate professional qualification:—

UK Equities The successful candidate will have a minimum of two years appropriate experience, to assist in the management of our large UK equity portfolio. Capital goods sector experience would be an advantage.

North American Equities The successful candidate will have a minimum of 18 months' experience in the North American Market in order to assist in the management of our US equity portfolio.

Both jobs will be based at our Chief Office in the City of London and will command a competitive salary. In addition, fringe benefits include a profit sharing scheme, non-contributory pension and medical insurance schemes and a house purchase scheme with preferential mortgage interest rates.

Written applications, including a full curriculum vitae, should be sent in the first instance to:—

The Manager, Personnel Department,
Sun Life Assurance Society plc, Sun Life Court,
St. James Barton, Bristol BS1 3TH

SUN LIFE

BANKING BANKING BANKING

RH

PROJECT FINANCE

£17-24,000

Rare opportunities for two specialists to join expanding activities in an energy-based European bank. Key responsibilities will be to identify and develop new business opportunities and suitable candidates will therefore need a marketing background. Expertise in mining/energy-related projects or fee-earning Chinese business would be a great advantage.

FOREX DEALERS

Negotiable

Two highly respected City banks are currently seeking to augment their operations with further trading expertise. Wide contributions will be expected from day one in spot and forward European currencies. Will be of interest to candidates currently earning in excess of £16,000.

EDP AUDIT/RESEARCH

£12,000-15,000

Structured career progression offered by top U.S. bank to two bank auditors with EDP backgrounds. Besides international audits, ample opportunity exists to research new products and operations for applicants with strong bias towards audit software development.

Please contact Felicity Hother on 01-606 2813

ROBERT HALF

[illegible] HOUSE, LONDON WALL, EC2 01-606 6771

PEMBER & BOYLE

have a vacancy for

AN ASSISTANT INVESTMENT MANAGER

in their Pension Fund Department

The successful candidate will have had at least three years' experience and will probably be in his mid to late twenties.

Remuneration will be commensurate with experience.

All replies will be treated in the strictest confidence.

Please write with curriculum vitae to:—

Howard Johnston
Pember & Boyle
30 Finsbury Circus
London EC2P 2HB

Deputy Manager

Capital Equipment Financing

For the London subsidiary of a major international financial institution with a particular interest in ships, aircraft or other major capital equipment. The post will entail wide general responsibility in addition to the main role of business development. International travel will be involved. Candidates should be aged 25-35, preferably, but not essentially, graduates with some linguistic facility, and offering sound experience in lending banking, leasing or other financing entailing high-level client contact and negotiation. Some familiarity with shipping or aircraft would be helpful. The salary and benefits will be negotiable. Prospects within a growing organisation are good.

Candidates should reply, in strict confidence, giving details of age, experience, qualifications and present salary, quoting Ref 820/FT. No details will be divulged to the client without prior permission.

CB-Linnell Limited
7 College Street, Nottingham.
MANAGEMENT SELECTION CONSULTANTS
NOTTINGHAM · LONDON

Assistant to Managing Director

Major Unit Trust Managers

Age 24-28 **Salary + Bonus + Car**

Our client, a leading British Company in Unit Trust Management, with head offices in the City, seeks a Marketing Assistant to develop business with Stockbrokers and to analyse unit trust performance.

The requirement arises from the rapid growth of the business and calls for an intelligent, numerate person with two years City experience who seeks challenge and more responsibility. He, or she, will be a graduate with an attractive personality and well presented, who will enjoy developing business direct with clients. The position will report to the Managing Director.

Remuneration includes a competitive salary, a sales related bonus, a car, paid travel to and from work and membership of the company's pension scheme.

Please write to or telephone:

Jean Taylor,
Grosvenor Place Recruitment Limited,
14 Grosvenor Place, London SW1X 7HH.
Tel: 01-235 9614.

CAPEL-CURE MYERS

Portfolio Management assistant

We need an additional person to assist the Partner responsible for the Agency and Bank Department. To fulfil this role we wish to recruit someone who is literate and articulate, aged 25-30 and with a successful track record of servicing clients and a knowledge of settlement procedures. Ideally, he or she will be a well-educated person who wishes to have a satisfying and rewarding career in a successful portfolio management business. We can offer a competitive starting salary and other benefits.

Please apply with curriculum vitae or telephone:

James Neill, Personnel Manager
CAPEL-CURE MYERS
Bath House, Holborn Viaduct, London EC1A 2EU
Tel: 01-236 5080

We help you find THE RIGHT JOB!

If you are a redundant or 'slightly used' executive or professional person, or have some other career crisis, we can help you by offering the most comprehensive **Career Counselling** service in Europe.

Our unique **guarantee** assures clients of rewarding careers, obtained mainly from the unpublished job market.

Telephone for an appointment of up to four hours free consulting — or send us your c.v.

We are also specialists in 'Outplacement' for organisations, through our affiliated company Lander Corporate Services Ltd.

CHUSID
The Professionals in Career Management

London: 01-580 6771, 35-37 Fitzroy St., W1P 5AF.
Birmingham: 021-643 4830, The Rotunda, New Street.
Manchester: 061-228 0089, Sunley Building, Piccadilly Plaza.
Glasgow: 041-332 1502, 141 West Nile St., G1 2RN.
Belfast: 0232-228768, 22 Great Victoria St., BT2 7ER.

FRUSTRATED by lack of career openings? Why not train to be a computer analyst/programmer. If you are 26-35, have "A" levels or a degree and several years' business experience preferably in accounting or marketing, a new Government-backed course could pay you while you train to industry recognised diploma level. Ring immediately for details and aptitude test quoting reference APFT9 to ADM Ltd. 01-863 0621.

GENERAL APPOINTMENTS

Appear every Thursday

Rate £31.50 Per Single Column Centimetre

Management Consultant

West Country **c£20,000 + Car**

A leading ethical consulting firm wishes to strengthen its operations in Wales and the West of England as part of its planned growth in the U.K.

Responsibility is to be for servicing and expanding its existing client base. Recent work has had a strong financial/commercial investigative and MIS bias for a variety of organisations in the financial, service and manufacturing sectors.

Candidates, male or female, are expected to be aged around 30 to 40 with a degree and an appropriate professional qualification. Those living in the West Country or with local knowledge may have an advantage, but current consulting experience and professional ability is more important. Outstanding candidates would gain immediate responsibility in charge of a team and expect early promotion.

Please write in confidence, or telephone for an application form on 01-439 6083 to R.N. Orr quoting client reference M1151.

Roland Orr
Management Consultants
35 Piccadilly, London W1V 9PB Telephone 01-734 7282

GENERAL MANAGER
Trinidad & Tobago Mortgage Bank

This is a career opportunity within the Central Bank of Trinidad and Tobago. Applications are now invited from suitably qualified candidates.

The Job
—Responsible for the day-to-day operations of the Mortgage Bank.
—Establish the internal operating procedures for the conduct of the Bank's business.
—Prepare a business plan, incorporating projected levels of activity, revenues and expenses, and capital expenditures.
—Responsible for the Executive Management of the Bank under the direction of the Board of Directors.

The Person
Should have:—
—A.C.C.A. professional qualification, or its equivalent, or M.B.A. Finance with a background in Corporate Finance, Law, Money and Banking, and Monetary Economics.
—At least five (5) years' management experience:
—in originating and servicing mortgages;
—in raising funds through the issuance of corporate securities;
—in managing investment funds.

The successful candidate must possess strong communication and marketing skills with the ability to organise and co-ordinate staff.
There is opportunity for innovating, developing and designing new techniques and systems of business.
Candidates having exceptional experience without the stated qualifications will be considered.

Compensation Package
The Bank offers an attractive compensation package including Medical Insurance, a Pension Plan, Passage Grant and Housing Scheme.
The successful applicant will be assisted with expenses in his repatriation.

Interested persons should send applications to:—
The Director, Personnel Services, Central Bank of Trinidad & Tobago, c/o High Commissioner of the Republic of Trinidad & Tobago, 42 Belgrave Square, London, SW1 8NT, England.
Closing Date: 30th September, 1983. Applications will be treated with strict confidence and only suitable applications will be acknowledged.

Morgan Grenfell & CO. LIMITED.

Eurocurrency Banker

Morgan Grenfell requires young Eurocurrency Banker aged 24-28 to join active department engaged in all aspects of International Banking.

Applicants should be graduates who have 2-3 years general experience of credit appraisal, documentation and syndication of transactions involving corporate, sovereign risk and project lending.

An ability to integrate with a small team working under pressure in a highly competitive environment together with a willingness to learn new skills and develop new ideas are essential. Fluency in one or more foreign languages is required.

Remuneration will be based on experience and will include such benefits as a preferential mortgage scheme, non-contributory pension, B.U.P.A. etc.

Please reply in writing to:
Sally Barnes,
Morgan Grenfell & Co. Limited,
23 Great Winchester Street, London EC2P 2AX

TREASURER £20,000+

Stewart Wrightson Holdings is the parent company of a major international insurance broking group. Turnover in 1982 was £71.9m and profit £9.9m.

The Group wishes to appoint a Treasurer principally to manage the liquid funds of the Lloyd's broking subsidiaries. The role demands a creative approach to investment management to maximise returns at the earnings level within the constraints of the Lloyd's market.

Reporting directly to the Group Financial Director, the Treasurer will establish stronger links with the Group's broking companies, underwriting agencies and insurance companies in the UK and overseas to direct the continuing development of the treasury function as a profit contributor.

Specific tasks will involve:
- Establishing funds available
- Management of foreign currency exposure
- Management of borrowings
- Investment of funds
- Contacts with financial institutions
- Development of reporting systems

Applications are invited from economics or business graduates, accountants with a treasury background and members of the Association of Corporate Treasurers. Applicants must have experience of the Treasury function in an international business, preferably within the insurance industry.

The salary will be at least £20,000 per annum but could be more for an exceptional candidate. The additional benefits include a non-contributory pension scheme and a staff share scheme.

Stewart Wrightson

Applicants should write, giving details of career attainments and experience to:
KCF Lathrope
Group Personnel Director
Stewart Wrightson Holdings plc
1 Camomile Street
London EC3A 7HJ

International Insurance Brokers

Investment Executive
£15,000–£19,000

The Investment Division of The Greater London Enterprise Board plays a key role in the re-generation of London's economy. To complete the existing team we are looking for someone – probably not over forty – with experience in liquidations/reconstructions and/or corporate finance, who can demonstrate achievement in 'hands on' situations as well as in the working up of investment proposals.

If, on top of a relevant first degree and an MBA or accounting qualification, you feel you can make a contribution to the task of developing viable jobs which is tempered by wisdom and humanity, please send your CV and a note explaining why to:

Roger J Webster, Director, Investment Division
Greater London Enterprise Board Ltd
63-67 Newington Causeway, London SE1 6BD

Greater London Enterprise Board

AGENDA
Company Secretary
Did you miss it in last Thursday's Financial Times on Page 16?
EXECUTIVE PRESELECTORS
01-730 0137

A NEWLY-FORMED Investment and Trading Company is seeking a Manager for its London-based representative office. It is envisaged that the person will have a financial or City background and a knowledge of the Middle East. Salary and benefits commensurate with experience. Please reply to Box A.8298, Financial Times, 10, Cannon Street, London EC4P 4BY.

Eurobond Dealer
c. £20,000 + banking benefits

Our client, a leading International Investment Bank of the highest repute, is seeking a Eurobond Dealer of proven ability to join a small but well-established and highly professional team.

Candidates should ideally be in their mid-20s and have at least two years' dealing experience, preferably in the U.S. dollar straight sector and gained with an active market maker.

For an intelligent, ambitious and fast-thinking individual this should represent a very attractive opportunity; for it exists in an expanding environment where ability will be given every chance to develop and performance will be well rewarded.

Applications will be treated in the strictest confidence
Please write to or telephone Philippa Rose

Philippa Rose & Partners Limited
Recruitment Consultants
18 Eldon Street
London EC2M 7LA
Telephone: 01-588 5196
PRP

AUSTRALIAN SHARE ADVISOR

We require an Institutional Advisor for our expanding International operation to concentrate primarily on development and servicing of our North American clientele.

The position, based in London, will entail extensive travel in the U.S. Good knowledge of the Australian securities market is required and the ability to present that to institutions is essential.

Salary commensurate with experience and ability.

Replies will be treated with strictest confidence and should be addressed to:

The Manager
McCaughan Dyson & Co.
3 Bow Lane, London EC4M 9EE

CHARTERHOUSE JAPHET

CREDIT ANALYST

Development of our Lending Division has led to the need for an experienced CREDIT ANALYST to join an existing small team. This will be a senior appointment, and the person appointed will ideally be a graduate with three to four years' relevant experience with a major bank in the U.K. Responsibilities will include deputising for the Departmental Manager in all aspects of the operation of the Department.

It is desirable that the candidate has successfully completed a formal credit training programme and must demonstrate strong analytical skills, sound credit judgment and an ability to communicate with people at all levels both within the Bank and with customers.

This appointment will challenge a highly professional young person with a good track record and the ambition to succeed further. The salary will reflect the responsible nature of this position, and other benefits include subsidised mortgage and loan facilities, free lunches, BUPA and non-contributory pension scheme.

Applications in writing to: Miss C. A. Parker, Personnel Officer, Charterhouse Japhet plc, 1 Paternoster Row, St Paul's, London EC4M 7DH.

CJA

RECRUITMENT CONSULTANTS
35 New Broad Street, London EC2M 1NH
Tel: 01-588 3588 or 01-588 3576
Telex No. 887374

A key appointment — offering scope for wider responsibilities in a senior contracts and project finance position

CONTRACTS FINANCIAL ADMINSTRATION-AIRCRAFT MANUFACTURING

CJA

LONDON **£12,000 - £16'000**

This vacancy, which arises out of expansion of International business, is open to candidates preferably aged 25-35, who have acquired five years' practical experience in client negotiation relating to export financing including leasing. Knowledge of leasing and credit finance documentation for high value equipment is very desirable. Responsibilities will cover preparation and submission of export insurance and banking applications, commercial paperwork, maintaining close liaison with International Banks and Government Departments. Essential experience will be in the analysis of balance sheets, the preparation of financial forecasts and the use of computer based financial modelling for leasing and credit sales. Continuation training will be provided where necessary. The ability to communicate clearly, both verbally and in writing, is important as is self-motivation and the ability to work under pressure. Initial salary negotiable £12,000-£16,000, contributory pension, free life assurance, assistance with removal expenses if necessary. Applications in strict confidence under reference CFA4201/FT to the Managing Director:

CAMPBELL-JOHNSTON ASSOCIATES (MANAGEMENT RECRUITMENT CONSULTANTS) LIMITED,
35 NEW BROAD STREET, LONDON EC2M 1NH. TEL: 01-588 3588 or 01-588 3576. TELEX 887374. FAX: 01-638 9216.
* Please only contact us if you are applying for the above position.

Prospects exist to move toa senior management position in either South Africa, elsewhere overseas or in London within 2-4 years.

ACTUARY — RE - INSURANCE

CJA

JOHANNESBURG, SOUTH AFRICA **RAND 38,000—RAND 52000**
TAX APPROX 25% — 30%

MAJOR INTERNATIONAL RE-INSURANCE COMPANY

We invite applications from actuaries who have acquired at least one year's post qualification experience gained either in an insurance company and/or re-insurance company or consulting actuaries. The successful candidate will be responsible to the Chief Actuary and will control a team providing re-insurance services for between 15 and 20 offices in South Africa involving advising on insurance, re-insurance treaties etc. Up to 50% of time will be spent in the field. The ability to advise clients in a positive and conclusive manner is important. Initial remuneration negotiable, Rand 38,000-Rand 52,000, income tax approximately 25%-30%. + car, highly subsidised accommodation and house purchase loan facility, contributory pension, full relocation expenses. Applications in strict confidence under reference ARI4202/FT, to the Managing Director:

CAMPBELL-JOHNSTON ASSOCIATES (MANAGEMENT RECRUITMENT CONSULTANTS) LIMITED,
35 NEW BROAD STREET, LONDON EC2M 1NH. TELEPHONE: 01-588 3588 or 01-588 3576. TELEX: 887374. FAX: 01-638 9216

Opportunities at Hendersons

Owing to continued expansion, the following staff are required;

Senior Clerk - Share Exchanges
The Securities administration requires a senior clerk to work as an assistant in the share exchange section for unit trusts. The ideal candidate will have wide experience including unit trust activities, dividends, rights and accounts' reconciliations.

Senior Clerk - Securities
Senior clerk to join the Securities administration. His main job function will be to handle the introduction of new clients' portfolios including pension funds; reporting directly to the Manager. Candidates for the position should have wide experience of the securities industry.

Senior Clerk - Settlements
Assistant required for section head to deal with foreign currency aspects, deliveries and settlements of foreign securities. Settlements experience is essential and candidates should have wider experience of the securities industry.

Senior Dividend Clerk
A senior clerk is required as assistant to the section head to process dividends in a computer environment. Essential experience for the job will include UK, offshore and foreign dividends together with income tax aspects.

Computer Operations Supervisor
Senior VDU operator with supervisory experience to take charge of small but busy and expanding Operations Department.

Valuations Clerk
Experienced valuations clerk for private client section, preferably with knowledge of computer operations.

An attractive remuneration package is offered with each position.

Reply with full CV to The Company Secretary, Henderson Administration Ltd., 26 Finsbury Square, London EC2A 1DA.

Henderson. The Investment Managers.

JAMES CAPEL & CO.
RESEARCH

The Far Eastern department, based in London, and covering stock markets in Hong Kong, Singapore and Malaysia, has a vacancy for an experienced analyst to research Hong Kong securities.

Whilst a knowledge of the Hong Kong market would be an advantage, it is not essential. The main requirement is for an individual with a proven ability in research, who would welcome the opportunity of involvement in the Far East and regular travel.

Salary will be attractive and commensurate with experience and ability.

Please apply in confidence to:
Danny Schulten,
James Capel & Co.,
Winchester House,
100 Old Broad Street,
London, EC2N 1BQ
Tel: 01-588 6010

Corporate Finance

Solicitor, ACA or MBA
City. Age 24-26

Minster Trust Ltd., a long-established Issuing House of excellent reputation, is currently expanding its highly professional Corporate Finance team and has recently appointed an additional executive. The process continues with the search for a further young recruit of high standing.

The appointee may expect immediate involvement in any of a broad range of services including mergers and acquisitions. Flexibility, professionalism and commercial acumen will be at a premium.

Candidates should possess an appropriate qualification. Future prospects are genuinely first-rate and the package, including a car, is negotiable.

Please write, enclosing career and salary details and quoting reference 4730/L, to N. P. Halsey, Peat, Marwick, Mitchell & Co., Executive Selection Division, 165 Queen Victoria Street, London EC4V 3PD.

PEAT MARWICK

Investment Manager

International share portfolio
Sydney AMP

Australian Mutual Provident Society is Australia's largest insurance company and largest institutional investor, with total assets of $Aus 8.5 billion, of which the share portfolio is about $Aus 2 billion. The rapidly increasing proportion of this investment allocated to international markets has led to the creation of this new specialist appointment in the Head Office of this major Australian-owned and managed enterprise.

The appointee will report to the Manager – Share Investments, be a member of the portfolio management team, and have specific responsibility for the overseas portfolio, embracing both international investment strategy and portfolio management. Our client regards this as a most important appointment, which will grow in significance, and which can offer outstanding career prospects.

Relevant experience is essential, and the successful applicant probably will currently be involved in international share investment as an Investment Manager, or as a Portfolio Manager for whom management of a global portfolio is the next logical career step. The ideal age range is 30-35, and relevant tertiary qualifications are mandatory.

Remuneration is negotiable. In addition to salary it will include car plan, non-contributory superannuation and medical benefit schemes, and a housing loan at concessional interest. Assistance with relocation expenses will be provided.

REPLIES & CONFIDENTIALITY: Please write with full personal, educational and career details, quoting Ref: 279145X (FT), to Personnel Services Group at the address below. Unless you stipulate otherwise, applications will be discussed in strictest confidence with our client, but no enquiries will be made without your permission. Initial interviews will be conducted by a PA Consultant.

PA

PA Australia

8th Floor, 100 Walker Street, North Sydney, NSW 2060.
PO Box 210, North Sydney, NSW 2060, Australia. Telephone: (02) 929-7888.
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We offer:
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Jakki Ridlington
Arbuthnot Latham Bank Limited
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London EC4R 1BY

Telephone: 01-236 5281

ARBUTHNOT INVESTMENT MANAGEMENT SERVICES

PENSION FUND MANAGEMENT
Edinburgh

A major Scottish Life Office is currently seeking an experienced investment analyst (male or female) to join a small head office team with responsibility for reporting to pension fund clients and marketing pension fund services.

Applicants should be in their late 20's or early 30's with several years investment experience in equities or fixed interest with a financial institution or stockbroker.

A large part of the job will entail meeting and making presentations to pension fund trustees located throughout the U.K. An ability to communicate well and to explain investment policy clearly is essential. Some investment analysis will also be involved.

This is an interesting and challenging position which carries the prospect of promotion to portfolio management for the successful candidate.

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To learn more about the appointment write or telephone in the strictest confidence to the Company Adviser, William L. Gill, on 01-388 2051 or 01-388 2055 (24-hour Ansafone). *Quote reference 692*

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Write in confidence enclosing a C.V. or telephone for an application form to Barbara Lord at Cripps, Sears & Associates Ltd., (Personnel Consultants), 88/89 High Holborn, London WC1V 6LH. Tel: 01-404 5701 (24 hours).

Cripps, Sears

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BRITISH SECTION

HEAD OF ADMINISTRATION AND FINANCE

Amnesty International is an international human rights organisation. The British Section is the campaigning arm in the UK. The Section seeks a person experienced in administration, financial management (overseeing a budget of £500,000), and computer technology to head a team of paid and volunteer staff and to carry out assignments both as a team and on an individual basis. The successful candidate will be expected to ensure the efficient business life of the Section and the introduction of computerisation of programmes and finance.

Candidates should have proven administrative ability and possess a relevant degree/professional qualification. Motivation, drive, and a capacity for hard work essential.

Salary: £9,500-£12,000 depending on experience and qualifications.

Further details:
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Foreign Exchange Dealers

Due to expansion of the Bank we are seeking two Senior Dealers for our fast growing Dealing Room.

A minimum of five years Foreign Exchange and Money Market experience within an active International Dealing Room is essential.

The salary we are offering will be highly competitive with the market, plus the usual banking fringe benefits.

For an application form please contact:

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Arbuthnot Latham Bank Limited
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London EC4R 1BY

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ARBUTHNOT LATHAM BANK LIMITED

GENERAL APPOINTMENTS ARE CONTINUED TODAY ON PAGE 22

APPOINTMENTS WANTED

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age 25, educated Oxford and Harvard, qualified at California Bar, experienced in real estate and commercial law, seeks financial or managerial position.
Write Box A.8291, Financial Times 10 Cannon Street, London EC4P 4BY

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Please write in confidence to
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£30,000 p.a. plus bonus and benefits

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Eurobond Executives
£20,000 p.a. plus package

The London based Merchant Banking subsidiary of a major British Investment Bank currently has two positions in their Capital Markets division for a Sales Executive and Dealer respectively. Both should have a minimum of two years' relevant experience. Some knowledge of floating rate instruments would be desirable.

Providing you are an experienced Eurobond Executive with an established trading or placement record and seeking genuine career advancement, then it is highly likely that I could arrange discreet introductions to my clients. For further details please contact me, Paul Boucher, on the number below or on 01-743 9991 outside office hours and at weekends.

Charterhouse Appointments Ltd.,
Europe House, World Trade Centre, London E1 9AA.
Telephone 01-481 3188

MONEY BROKING

Butler Till Limited, the leading sterling money broker is continuing to expand their operations in the Sterling Money Markets and now have vacancies for

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Successful applicants, aged 20-25, should already have gained some relevant business experience and have the assurance, style and outgoing personality essential for success. A full training programme will be undertaken in all aspects of our business.

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* *Career opportunities also occur at slightly more "junior" levels for both qualified accountants with banking exposure and experienced credit analysts looking for greater challenge.*

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BANKING PEOPLE

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A major UK merchant bank are actively seeking bond sales professionals. Candidates will be currently working in active trading room, or alternatively be part of a successful gilts sales team of a major UK stockbroker. Salaries to £30,000 plus benefits.

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A major European bank are establishing a new audit function in their London branch. This is an ideal opportunity for German-speaking ACA with 2/3 years' post-qualification experience in bank auditing, to make a substantial and positive contribution to a growing organisation. Salary to £15,000 plus benefits.

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Gordon Brown
Bank Recruitment Consultants
85 London Wall, London EC2M 7AD
01-628 4501

Eurobond Sales

Due to our continued expansion in the Eurobond markets we need to strengthen our sales capability and retail coverage. We urgently require two more Executives with a minimum of 5 years experience in these markets which must include Straight Dollar Issues, DM, SF and Yen Instruments, Floating Rate Notes and CDs. Ideally applicants should also offer a background in US Government Securities and have at least one foreign language.

Salary and benefits will be negotiable and will reflect the importance we place on these posts which offer tremendous potential for energetic, dynamic and ambitious Eurobond Professionals.

To apply, please telephone Michael K O'Connell, Deputy Managing Director on 01-380 5424. Or write to him at Chemical Bank International Ltd., Chemical Bank House, 180 Strand, London WC2R 1ET.

CHEMICAL BANK INTERNATIONAL

THE BANK OF NOVA SCOTIA

Due to the continuing expansion of our global Foreign Exchange and Money Market activities a vacancy has arisen within our Frankfurt trading operation for a Senior FX/MM trader.

The successful applicant will be fluent in German and have spent a minimum of three to five years in an active dealing environment.

This is a senior position within our Frankfurt treasury operation and will carry an attractive salary together with the normal fringe benefits associated with a major international bank.

Applicants should write with full details to:—

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Attn: Mr. J. Hardisty

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Experience of this work at senior level is essential and a financial package commensurate with the position is available.

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Accountancy Appointments

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c.£14,500 + outstanding package

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Please write in confidence, quoting reference 5150/L and explaining how you meet requirements, to N. P. Halsey, Peat, Marwick, Mitchell & Co., Executive Selection Division, 165 Queen Victoria Street, Blackfriars, London, EC4V 3PD.

PEAT MARWICK

UNIVERSITY OF EDINBURGH

DIRECTOR OF FINANCE

Applications are invited for the post of Director of Finance.

The Director of Finance will be a member of the Senior Administrative team called upon to advise on general policy matters in the University. Although responsible to the Secretary to the University, the Director of Finance will be expected to play the leading role in financial planning and control and will have close day-to-day contact with the Principal.

While experience in University Administration could be an advantage, the work of the Director of Finance will be such that experience in other fields, such as Business or Industry, could be equally valuable. It is expected that the successful applicant will have suitable accountancy experience and preferably an accounting qualification.

The salary will be on the Administrative Grade IV Salary Scale (present minimum £17,275 per annum), together with superannuation benefits.

Further particulars may be obtained from the undersigned, with whom applications (two copies) giving the names of three referees, should be lodged not later than 14th October 1983.

Please quote reference No. 4011.

A. M. CURRIE,
Secretary to the University,
Old College,
South Bridge,
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Merchant Banking–Jersey

Director Designate

Wide-ranging role

to £20,000 + benefits

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Candidates must be qualified accountants, aged ideally in their late 20s with at least two years commercial experience gained outside the profession or in investigations and insolvency departments of major firms. A working knowledge of UK taxation is required. Personal qualities will include a flexible attitude, an entrepreneurial and creative approach to business situations, and an outgoing, mature personality. The ability to take commercial decisions is essential and you will be aiming for a board appointment in the short term.

Please reply in confidence giving concise career and personal details and quoting Ref. ER638/FT to P. J. Williamson, Executive Selection.

Arthur Young McClelland Moores & Co., Management Consultants, Rolls House, 7 Rolls Buildings, Fetter Lane, London EC4A 1NH.

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ACA/ACMA/ACCA

26-30

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you must be...

- aged 28 to 34
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Written applications containing career details should be forwarded, in confidence, to Richard Norman, F.C.A. or Robert Collier, at our London address quoting reference number 4168

410 Strand, London WC2R 0NS. Tel: 01-836 9501
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The successful candidate will:–

- ★ Be a Chartered Accountant, ideally aged 33–45.
- ★ Preferably have a minimum of 4 years experience in industry/commerce.
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- ★ Possess strong commercial awareness and a high level of communicative ability (both written and oral).

Interested applicants should write to **Allan Marks** enclosing a comprehensive curriculum vitae, quoting reference 429/1 at Michael Page Partnership, P.O. Box 143, 31 Southampton Row, London WC1B 5HY.

MP
Michael Page Partnership
International Recruitment Consultants
London New York
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SURREY KT13 0DX

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c.£18,000 + car **London**

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Hyde Park House, 60a Knightsbridge, London SW1X 7LE.
Tel: 01-235 6060 Telex: 27874

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Enterprising Young Accountant

Birmingham **c.£12,000**

Our client, one of the most prestigious stockbroking firms outside London, is continuing to expand its wide range of financial services, and is creating this new appointment to assist the Finance and Administration Partner.

Candidates, male or female, should be graduates probably aged between 24 and 28 ideally with one or two years' post qualifying experience as Accountants, and have a strong interest in corporate financial services. The personal characteristics necessary to succeed within such a 'Blue Chip' environment are equally important.

The salary package is open for negotiation and will include the normal range of pension benefits.

Please write in confidence, initially with brief details, and quoting reference 1345 to John Anderson, as Advisor to the company, at:–

John Anderson & Associates.
Norfolk House, Smallbrook Queensway, Birmingham B5 4LJ.

Group Management Accountant

Central London **c.£15,000 + Car**

Varied interests, autonomous management and a professional environment are just some of the attractions of this small public group which is already witnessing an improvement in trading conditions. Reporting to the Financial Director you will be responsible for the preparation, analysis and follow up of Boardroom information for the group. You will also be involved in statutory accounting and head office administration. This is an excellent opportunity for a qualified accountant aged 26-30 with previous commercial experience, possibly gained at a head office, who now wants to play a constructive role in a company where there is total commitment and involvement.

Contact John P Sleigh FCCA on 01-405 3499 quoting reference J/57/GF

Lloyd Management

125 High Holborn London WC1V 6QA Selection Consultants 01-405 3499

FINANCIAL TIMES
BRACKEN HOUSE, CANNON STREET, LONDON EC4P 4BY
Telegrams: Finantimo, London PS4. Telex: 8954871
Telephone: 01-248 8000

Thursday September 15 1983

Greece steps out of line

BY BLOCKING a joint condemnation of the Soviet Union for shooting down a South Korean passanger aircraft on September 1, Greece has not only stirred up the justified anger of the other nine members of the European Community. It has also raised the question of what the Community is about and, more explicitly, how much hope there really is for European Political Co-operation, the diplomats' code phrase for a kind of infant Community foreign policy.

The refusal of Mr Andreas Papandreou, the Greek Prime Minister, to go along with the other nine is fully in keeping with his record. When Greece was admitted to the Common Market after the fall of the dictatorship in 1974, the other nine intended thereby to underpin Greek democracy and Greek membership of the West.

Mr Papandreou sees the Common Market primarily as a means to transfer wealth from the European North to the South, more specifically Greece. His political vision for Europe is that of a region independent of great military power blocks. It is a formula that, as in the instance of the airliner, often forces him to be more tender to Moscow than his partners would like

It also is a formula hard to reconcile with the recent renewal of the agreement that allows the U.S. to maintain military bases in Greece. Then, the art of playing both ends against the middle has been expertly practised by Greeks at least since the times of Ulysses.

Yet the real reason for the differences between Athens and the other nine is not Mr Papandreou's occasionally mercurial policy. Greece, with its regional pre-occupations in the Aegean, has not, or at least not yet, grown into the Community family. Political co-operation between the members of the EEC has no basis in the Treaty of Rome. It has developed from the common historic experiences of the members and the desire to make their voice heard in a world so long dominated by the super powers.

The successes so far achieved by European Political Co-operation (or Poco as it is called) have been modest. Yet the idea has never died and, indeed, ought to survive. Even though the prospect of a genuinely confederal Europe is as remote as ever, the members of the Community must persevere with this effort to give it an established identity in world affairs.

Political Co-operation in its present form is barely institutionalised. One of the rules is that policy declarations (which in any case are not legally binding) may be issued only by consensus of all 10 members of the Community. That enabled Greece at the ministerial meeting in Athens on Monday to block anything but the most anodyne statement on the Korean jet.

The Greek Foreign Minister, Mr Ioannis Charalambopoulos, has said in public that he was unwilling to let the other nine override Greek sovereignty. He might have added that the others are no less sensitive on the principle of sovereignty, though it may fairly be questioned whether it was wise (or humane) of Greece to invoke it on this particular issue.

However, if Greece can block decisions, as it did, it should follow that the others, who are no less sovereign, may align their policies as they wish. Political co-operation is liable to become a pipedream if unanimity is required at all times.

Way open

This will increasingly be the case as the Community is enlarged. One can only hope that, in the longer run, the wide measure of convergence achieved between the foreign policies of the older members will eventually spread to the entire Community. In the meantime, even if one or the other member gets out of line, the leading Community states should be willing to speak out as a group.

European Political Co-operation is a tender plant. Its future development will not be easy. But it does open a way towards increasing Europe's role in the world. Even though, strictly speaking, the Community is intended to be an economic rather than a political union, the worldwide debate on the great economic or Third World debt, is political no less than economic. In the end economic union will have to be matched by convergent foreign policy.

Change on the shop floor

THE PUBLICATION today of the first in what promises to be a series of studies on workplace industrial relations in Britain is welcome. Government departments, not least the Department of Employment, have cut their research and statistical work sharply in recent years: indeed, the study in question represents most of Mr Norman Tebbit's research effort. But it appears to be more than usually useful.

Since industrial relations will always tend to be conflated with politics, studies on it tend towards the polemical. The present study, under the joint sponsorship of a government department, an independent research institute (the Policy Studies Institute) and an academic sponsoring body (the Social Science Research Council), provides as objective a corpus of findings as we are likely to have. When it is updated, it will give policymakers, academics and commentators a valuable insight into change in an area where the dogmatic and the half-informed too often have ruled, to evil consequence.

Works councils

A major finding of the study has been also a surprising one: that, all but unnoticed, British workplaces have been adopting consultative arrangements in which union representatives and management sort out a range of issues such as working practices, health and safety, absenteeism and, often, various matters of company policy. Some 37 per cent of the more than 2,000 establishments studied had joint committees of this kind and — since these were usually the larger plants — they covered more than 50 per cent of the workforce.

As the authors note: "that pattern contracts markedly with the traditional view of the British industrial relations system" — a view which held that all the important representative functions were performed by the shop steward, a quite different system from the continental, works council approach.

Such a finding does not prescribe automatic rejoicing. Companies may possess joint consultative committees of great splendour, yet suffer from low labour productivity. It does, however, suggest that the British confrontationist school of industrial relations is no longer undilute by Continental collaborationism.

It has a more immediate importance to policymaking. The Government will shortly issue a consultative document on the proposed EEC legislation on workers' involvement — the so-called "Vredeling Proposal" and the Fifth Directive. Taken together, they propose that a company's management must give each year to their employees a "clear picture" of its activities: must consult on important changes; and must institute some form (the choice is wide) of employee participation. In all cases, the measures apply to companies above 1,000 workers.

Careful reading

Unfortunately for those who have argued that such arrangements are foreign to British practices, the findings of the study point to a "natural" adoption of consultation and joint accommodation. A further boost to such practices through the passage into British law of Vredeling and the Fifth Directive could be—arguably—beneficial to industrial relations. The hostility of the employers—who have uniformly expressed their opposition to such legislation, and are pressing the Government to veto it—may be built on the sand of an outdated perception of what is happening on the shopfloor.

Or it may not. It can also be argued, on the basis of the same findings, that if British companies are doing the approved Continental thing naturally, what ned of an unwanted stimulus?

Our inclination is for caution and for a careful reading of the Government's consultative paper when it appears. The argument for statutory intervention is that the law can act as a goad to those companies which will always be slow to institute good practice; the argument against is that a legal straitjacket may take insufficient account of the many different and valid approaches to consultation and participation. Given that the EEC proposals are far more flexible and permissive than in their original version, the case for a British veto is rather less compelling.

The Marc Rich Affair

High stakes in a legal tug of war

By John Edwards

A GLITTERING office block in the middle of the small Swiss town of Zug has become the unlikely focus of a dramatic story which could have serious implications not only for Switzerland's jealously guarded secrecy laws but also for the tight little world of international commodity trading.

The offices belong to Marc Rich, one of the small group of international traders who over the past 10 years have built up a commanding position in the risky, but highly lucrative, commodity markets. They are an obsessively secretive species whose activities surface only rarely as, for example, they did during the "Great Grain Robbery" in the late 1960s.

Marc Rich, like the others, is a multinational group, living on its wits and paying high salaries to dealers who have always to be one step ahead of market movements. Like its competitors it owes no loyalty to any particular country.

It is the question of who should have jurisdiction over groups like Marc Rich which lies at the heart of the current dispute between the U.S. authorities and the Swiss Government. On Monday a U.S. Federal court is due to hear if Marc Rich will surrender a set of subpoenaed documents which the Swiss Government has said it must not hand over.

An unhappy choice thus lies ahead for Marc Rich's executives. In theory, if they comply, they could go to gaol in Switzerland for breaking the country's secrecy laws. However, if they refuse they could be gaoled in the U.S. for contempt of court.

Special talks last week between officials from the U.S. and Swiss governments in Berne failed to resolve the issue although discussions are continuing through diplomatic channels.

The story began 18 months ago when a federal grand jury investigation was launched to determine whether the Marc Rich group had set up a tax evasion scheme under which its U.S. subsidiary paid inflated prices for oil and other commodities to its Swiss parent company, based in Zug, where it enjoys very favourable tax rates.

So far there have been no formal charges, but U.S. investigators claim that, as a result, Marc Rich's tax bill in the U.S. in 1980 was $20m lower than it should have been on oil trading alone. At the same time it is alleged that the group breached the special U.S. federal oil price controls introduced in 1973.

In the course of the investigation U.S. attorneys demanded, and received, a mass of documents from Marc Rich International (now renamed Clarendon) — the part of the group in Switzerland that handles oil, metals and minerals trading connected with the U.S. and has an American subsidiary.

But the group baulked at providing documents from the parent holding company in Zug —Marc Rich A.G.—since it claimed this would be contrary to Swiss law.

A long wrangle ensued. U.S. attorneys insisted that the Marc Rich A.G. documents were crucial to the investigation, because Marc Rich A.G. was one of the parties to the alleged inter-trading within the group. Finally New York federal judge, Leonard B. Sand, lost patience, cited the group for contempt of court and imposed a fine of $50,000 a day—starting from June 29—for up to 18 months.

More dramatic developments were to follow. The group decided in July to sell Marc Rich International, both in Switzerland and the U.S., to a new company called Clarendon Ltd. Apart from the change of name—supposed to distinguish Marc Rich International from its parent company—the ownership was also changed to exclude Marc Rich himself and Pincus Green, the two men largely responsible for building up the whole group. But the Clarendon shareholders group, led by Mr Alexander Hackel, former managing director of Marc Rich AG, is composed largely of group executives who have large shareholdings in the parent holding company, Marc Rich and Co A.G.

Judge Sand, who had already accused the group of deliberately sheltering behind the Swiss secrecy laws then reacted swiftly against what he saw as a crude attempt to transfer the group's U.S. assets outside the country.

He threatened to freeze up to $55m of the group's U.S. assets and send restraining notices to Marc Rich affiliates, banks and customers, effectively halting the company's U.S. operations. The group gave in, arguing as it did so that the judge was over-reacting because the sale of Marc Rich International to Clarendon had merely transferred the assets from one company to another. They had not been moved, out of the U.S. The group paid $2.6m in fines *and reluctantly* agreed to produce the required documents.

Then last month U.S. Federal agents stopped a plane at Kennedy Airport, New York, which was about to take off for Switzerland. They seized two steamer trunk loads of Marc Rich documents.

In vain did the group argue that the documents were merely being flown to Switzerland for review by their lawyers who wanted to see if the papers were relevant to the case or not. Judge Sand, describing it as the "steamer trunk caper," then threatened even stronger action against the company if the subpoenaed documents were not produced. But he agreed to a month's delay (until September 19) to see if some compromise could be worked out with the Swiss Government. This followed news that the Swiss Federal Prosecutor's office had itself saized documents from the group's Zug headquarters and instituted proceedings against the company.

It claimed that the attempted, or actual delivery, of data to the New York court constitutes "economic espionage" and breaches the strict Swiss laws *forbidding the passing on of* confidential information to a foreign authority or organisation.

There the case rests until Monday, unless a compromise between the U.S. and Swiss governments can be reached in the meantime. Meanwhile, the Marc Rich group has already suffered a major setback in the U.S.—one of its main areas of activity.

In the commodity world, Marc Rich is seen as something of a maverick organisation, but is has been enormously successful during its brief 10 years of existence. Since the group started in 1974, it has built up an estimated turnover of $10bn a year and now ranks as one of the world's leading commodity traders.

Its primary business is in oil, minerals and metals. But subsequently the group has become an important force in the world grain and sugar markets, as well as diversifying into several other areas including bullion trading (precious metals) and financial instruments (money). These activities come under a seperate company, Richo.

Marc Rich, a 48-year-old Belgian who went to New York as a child, made his name by establishing himself as a top trader with Phillip Brothers—the major commodity company now merged with one big U.S. stockbroker Salomon Brothers. But dissatisfied with his share of the big profits he left, taking with him several other leading executives. They formed the Rich group, in 1974 registering it in Zug where several of them had worked for Phillips Brothers previously.

The break-away group proceeded to make a killing in the oil market in the aftermath of the 1973 Opec crisis, when independent traders took a large slice of business away from the major oil companies that had controlled the market until then.

The Marc Rich group also prospered in other areas building up a large team of top traders (the group employes some 1,000 people altogether) by offering them very large salaries and a slice of the action through shares in the group.

In return, they are expected to work hard, be on call 24 hours a day, and above all be successful. They are also under strict instructions not to talk to the media and maintain a low public profile.

The Marc Rich name did, however, surface briefly in public during the spectacular attempt by a mystery buying group to drive tin prices to record levels in early 1982. Marc Rich were known to be deeply involved in the whole exercise, acting on behalf of the buying group which was believed to be the Malaysian Government. Indeed some metal market insiders claim the whole idea was dreamed up by a Marc Rich trader, who subsequently left the company

Rivalry in the shadowy world of commodity trading is intense. *Fundamentally* the purpose of the commodity trader is to bridge the gap between the producer and consumer.

In some markets—oil used to be the great example—producers sell the bulk of their output direct to consumers leaving only a little available for sale via the so-called "free" market, which often deals mainly in trading between the West and the Communist countries.

But in other cases, like the grain markets, the traders play a dominant role controlling the shipping, marketing and pricing *of the product*. They can, and do, wield tremendous influence.

The best known example of this influence is probably the "great grain robbery" in the late 1960s when the Russians negotiating direct with the big grain merchants bought up the whole of the U.S. surplus of grain, at subsidised prices, without the American Government realising what was happening.

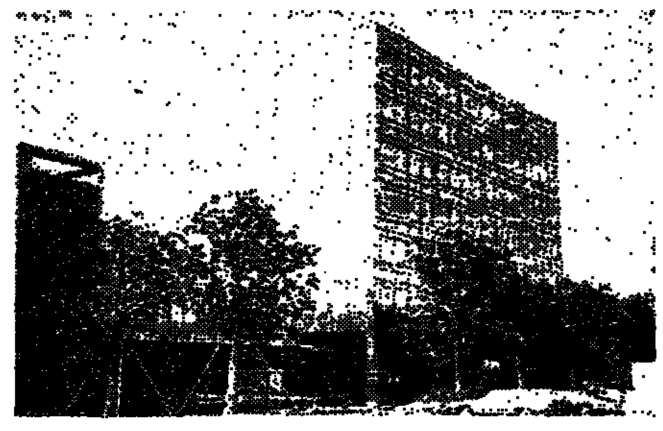
Most of the companies, some of which are very large indeed are privately owned by a few shareholders, often families. They have few fixed assets. The most important assets are contacts, experience of the markets and people with a will to succeed in return for large rewards. Survial belongs to the fittest, most ruthless and sometimes the luckiest;

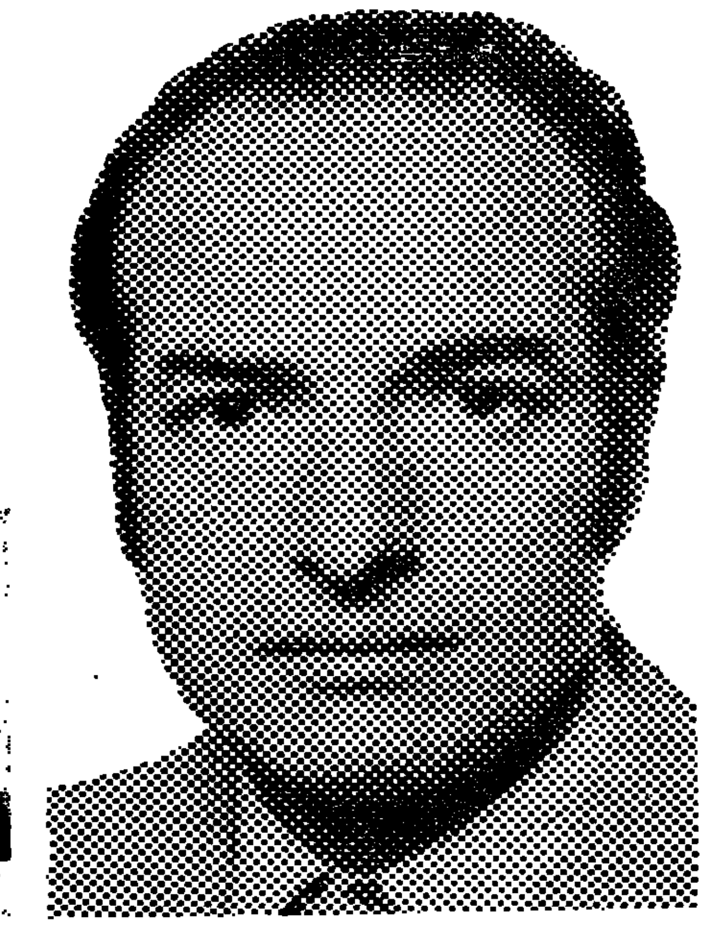
With trading interests all over the world, the companies can shunt profits and monies around to the country that suits them most. Not surprisingly Switzerland is a favourite centre, even though most of the trading activity is carried out from offices in London or New York.

The low rates of tax in Switzerland, especially in the Canton of Zug, are a great attraction. But perhaps even more appealing to commodity traders are the strong Swiss views on maintaining business secrecy and refusing to divulge information. Bowing to pressure from other countries, particularly the U.S., the Swiss have this year passed legislation empowering the authorities to give legal assistance to foreign governments investigating offences which would be crimes in Switzerland, including tax evasion if fraud is involved.

But the U.S. action in demanding and then seizing documents from a Swiss-based company, without first invoking the special treaties between the two countries, has alarmed and offended the Swiss.

There is also some concern amongst many multinational companies, with offices in Switzerland, that the Marc Rich dispute could have serious repercussions for them.





THE Canton of Zug in Switzerland has a special attraction. To the outside visitor Zug is just a pleasant, quiet attractive lake-shore town with a population of only 77,000 tucked away in the middle of the country. It is in fact the smallest of the Swiss cantons covering an area of only 239 sq kms. Yet its citizens have one of the highest per capita incomes in the country and there are over 8,000 companies registered there.

Faced with the prospect of being an obscure backwater, attracting only a small tourist trade, Zug invented its own industry. By offering extremely favourable (i.e. low) tax rates it has become an international centre for trading companies. It has other attractions. It is close to the financial centre of Zurich. It is also easily accessible to the whole of Europe.

However, this could apply to many other parts of Switzerland; the special attraction of Zug is its tax concessions. The idea is that the lower tax rates are more than offset by the volume of companies setting up there; either with just name plates or small offices.

Marc Rich is something of an exception in Zug. It has a large, eye-catching, glass and steel "places" (above) next to the railway station. There is a lot of sympathy in the town for the dilemma in which Marc Rich finds itself. "They pay their taxes, give work and spend money in the shops, so what's wrong?" was the view of one local banker.

The canton's finance director, Mr Georg Stucky, publicly proclaimed recently that Marc Rich was being "blackmailed" by the U.S. authorities. The canton's public prosecutor, Dr Rudolf Mosimann, a lawyer, served on the board of Marc Rich and several other companies —a normal happening in Zug. Dr Mosimann was recently suspended from his duties as prosecutor at his own request until the case is resolved.

Elsewhere in Switzerland, especially amongst bankers in Zurich, there is some unhappiness about the Marc Rich case and in particular the publicity stirred up.

Men & Matters

King's men

Lord King, secure in his position as one of Britain's senior industrialists and confidant of the prime minister, is imprinting his style upon the new generation of managers.

As chairman of British Airways he administered an electric shock to that overmanned organisation in February when he appointed as new chief executive Colin Marshall, aged 49; who learned his trade running Avis car rentals, and as deputy chief executive of the industrial and retailing group Sears Holdings. Since then there has been a remorseless litany of management changes in the airline.

King is also chairman of engineers Babcock International, and the arrival of Michael Hoffman, aged 43, as group managing director designate next month is his handiwork.

Senior management in the specialised trades of heavy and nuclear engineering has traditionally been drawn from an almost closed order. Hoffman, in contrast, is an outsider whose senior management experience has been mainly in the light machinery and vehicle industries—he was managing director of Perkins Engines, Peterborough, from 1976, and a top executive in Toronto of Massey-Fergusion for the last three years.

Hoffman was generally acclaimed for the excellent job he did at Perkins. In contrast, his stay with Massey-Ferguson, its parent, has been a bed of nails as that troubled company has struggled to survive.

King is delighted to have secured his services after a 12-months hunt for a new man for Babcock: "Hoffman knows the factory floor . . . and he has been through the fire. He is an able and aggressive young executive who I think will bring a new look into Babcock."

King also makes it quite clear that one of Hoffman's prime tasks will be to expand Babcock through acquisitions.

In hiring both Marshall and Hoffman, King was swayed by basic ability allied to a proven track record in running businesses. His opinion of his chosen men is high. Hhis parting shot when we talked yesterday: "Colin Marshall is such an able executive that he could just as easily run Babcocks as Michael Hoffman."

Opportunity knocked

Adam Osborne, aged 44, founder of the newly-bankrupt Osborne Computer company remained uncharacteristically quiet yesterday declining all comments on his company's problems.

A former computer industry columnist and book publisher he is known for his bravado. Earlier this year he boasted that he would knock out his competitors with a new product he called a "cherry bomb." In the event the idea backfired.

The son of British missionaries in India, Osborne was educated in England. But he regards California as the land of opportunities

"Here it is a question of what you know, not who you know. I would not have a chance in Britain," he says.

Well, he had his chance in California.

Capital sound

Yesterday was a day of muffled grunts behind closed doors down at the Independent Broadcasting Authority, when applications were heard to run London's highly prized general and entertainment radio service.

Capital Radio, which is far and away the most profitable of the country's 40 or so local radio stations, is bidding for another eight-year franchise when its current 10-year term ends in October 1984.

Chaired by Sir Richard Attenborough, Capital has seen its audience slip from a peak of 5m and 1978 an d1979, but it is still pulling in 4.2m listeners and with profits of £1.6m on sales of £15.7m in 1982, it remains a big money spinner.

Capital is nonetheless facing a strong challenge from Metropolitan Radio, which has several city institutions behind it. Also with its hat in the ring is A2Z Radio, the brainchild of accountant Richard Hilton—but the odds on A2Z are very long.

Metropolitan, which has Sir Peter Parker as chairman, is run by Robert Kennedy, who was a Capital director until last year. He has said that, "Capital has run out of ideas and momentum."

Apart from programme variations, an important part of Metropolitan's pitch is to widen the ownership. It would seek a quote on the USM. It would also offer shares to other radio stations. This, it reckons, should appeal to the IBA since it would mean the poorer companies would share the profits of the more successful ones.

But Capital has also thought of spreading the ownership and it too would seek either a full listing or a quote on the USM.

We should know the winner in about two weeks time, accord-

"A man changes his job ten times in ten years—how much less will his pension be than a man who stayed put on less money?"

Jesuits' choice

In worldly terms the election of Dutchman Pieter-Hans Kolvenbach this week as the "Black Pope," the head of the world Jesuit order (largest order in the Roman Catholic Church), could hardly be more timely. He is an expert on the Lebanon where he has spent most of his priestly life.

Now aged 54, Kolvenbach was head of the Jesuits in the Middle East for seven years and taught at St Joseph's University, Beirut.

The Father-General of the Jesuits is known as the "Black Pope" not for sinister reasons but because he wears a black cassock and is a figure of considerable influence in the church.

Kolvenbach's predecessor, a Basque, Pedro Arrupe, released forces which alarmed the Vatican by committing his society to "the struggle for world justice," and by involving it deeply in third world politics.

Kolvenbach has much in common with Arrupe but may prove to be more adroit in his dealings with the Vatican. Those who know him well, however, see no likelihood of any back-pedalling on the progressive policies which have marked the Jesuits in recent years.

Probably the crucial factor about the new "Black Pope" is that the Pope, John Paul, is believed to trust him. The two men share special interests in Islam, and Orthodox and Russian studies.

Time lag

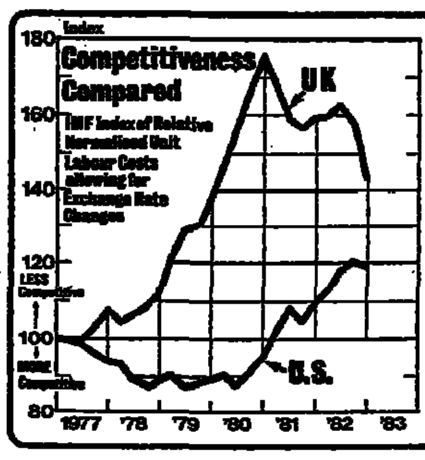
In a City bar: "Lower inflation hasn't helped me. Things are the same as ever—too much month left over when I get to the end of my salary."

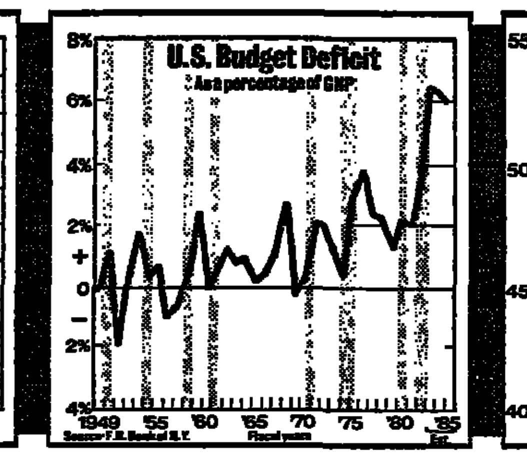
Observer

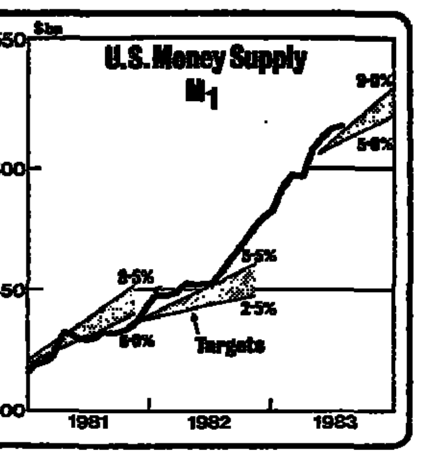
ECONOMIC VIEWPOINT

Lessons of the U.S. recovery

By Samuel Brittan







Marion Sedger

THE HIGH dollar has dealt a body blow to the international competitiveness of U.S. industry. As the chart shows, the real exchange rate for the dollar is nearly as high as the real exchange rate for sterling was at the peak of its overvaluation in 1980. A U.S. current account deficit of $30bn is officially predicted for this year, and estimates for 1984 go up to twice that amount.

Yet there is one notable difference. While the 1980 over-valuation of sterling helped to trigger off the severest recession in postwar British history, out of which the British economy has taken a long time to emerge, the overvaluation of the dollar has coincided with a very rapid expansion of the U.S. economy.

The annualised growth of U.S. GDP shot up to 9 per cent in the second quarter of 1983 and is not expected to be very much less in the third, despite the August dip in retail sales. Unemployment has fallen substantially; and the main argument about next winter and 1984 is whether these very rapid growth rates will continue and risk "overheating" the economy, or whether they will fall back to more normal but still very satisfactory rates of 3 to 4 per cent.

One difference between the two countries is that the overseas sector is more important for Britain; and that the British economy therefore suffers more from a high real sterling exchange rate.

This difference might account for a less severe recession in the U.S. than in the UK, but not for a U.S. *boom* compared with a UK *slump* in the same exchange rate position. Nor does the state of the world economy explain it all away. In 1980 Britain went into recession earlier and more severely than other countries. In 1983 America has led the world with a far faster recovery than anything experienced elsewhere.

The crucial difference is to be found in internal economic policy. For someone who is politically interested without being politically committed, it is fascinating to see that the Reagan Administration has adopted a large part of the British Labour Party's "Alternative economic strategy."

President Reagan has taken to heart the advice of Labour's Shadow Chancellor about "not being afraid to borrow," and the U.S. budget deficit is estimated at more than 6 per cent of GDP—far higher than anything achieved under the supposedly irresponsible President Carter.

Fiscal expansion has been accompanied (or supported) by a very notable monetary relaxation. This shift of the base for the official Fed target from the fourth quarter of 1982 to the second quarter of 1983 gives the impression that the growth of the narrow measure of the U.S. money supply, M1, is just within target. A more realistic comparison over 12 months shows that it has grown by over 13 per cent, compared with 5 per cent during much of 1981-82. Even the wider measure M3 has risen by nearly 10 per cent in the past year.

There are numerous arcane arguments about whether the budget deficit or the monetary expansion is the key to what has occurred in the U.S. Monetarists will say that the rise in the deficit had no expansionary effect until the monetary brakes were released. On the other hand, it is notable that quite rapid rates of monetary expansion in the UK and Germany have not brought more than a modest (and so far non-inflationary) recovery. All one can say for certain is that if you throw money at an economy in every possible way, both through the budget and through the banking system, you are going to see some impact.

Unlike the Labour Party's *alternative strategy*, the Reagan expansion has not been accompanied by import controls or devaluation, but by precisely the opposite—a rising exchange rate. Moreover, the engine of monetary growth has been rearmament rather than social or industrial spending. But there are still enough common elements to raise a few questions.

In the early 1970s a consensus view emerged about the fundamentals of demand management which was common to Friedman and some of the more moderate U.S. Keynesians.

This accepted that there was an underlying rate of unemployment (the non-accelerating inflation rate of unemployment or NAIRU) at which inflation would neither accelerate nor decelerate. This was the best that could be achieved by demand management. Any attempt by governments to boost demand further in pursuit of growth or full employment targets might secure a temporary boost to output, but the ultimate effect would just be more inflation. There were many differences about technicalities, mechanics and the desirability of fine-tuning, but behind the public noise there was a common core of agreement.

This consensus view, however, demands too much of human nature, particularly of economists who want to be bright, original and innovative. In Europe there were many unreconstructed Keynesians who believed that the growth of monetary demand, determined *by fiscal and monetary policy*, was the main influence on the growth of output even in the long run. At the other extreme came the "rational expectations" monetarists. These denied that monetary and fiscal policy could affect output even in the short run unless the authorities could spring a great surprise on the public, which was not something that could be repeated many times.

The great international inflation of the 1970s, together with the recent U.S. recovery, suggest that both extreme criticisms are wrong. *Continuing* large monetary and fiscal expansion will produce inflation rather than full employment. On the other hand, such expansion will provide an *initial* boost to output and the inflationary effects may be deferred.

The fear among European governments is that if they went in for budget deficits and rapid monetary growth, the increased demand would mostly leak overseas, suck in imports, and produce a currency crisis. This may be true of any one European country going it alone. But if all European countries acted together, perhaps in concert with the U.S. and Japan, the result might be more like that seen in the U.S.

If this supposition is right, it is a warning against policy simulations based on purely insular national forecasting models. But it still does not follow that a joint European boost to monetary demand would be advisable. The present *U.S. boom will do no good if it* simply leads to renewed inflation followed by a slamming on of the brakes after the 1984 Presidential election, and another recession.

The leading exponent of this pessimistic outcome is Professor Milton Friedman. He attributes most of the decline in velocity of circulation of money relative to trend in 1981-2 to the fall in interest rates (itself partly due *to the fall in inflation) and to* normal cyclical experience during a slump. These factors are no longer operating and could go into reverse. If velocity merely stays steady and does not resume its trend growth, Nominal GDP will rise at 13 to 14 per cent per annum and "pressures will be built up waiting to be released in subsequent quarters," says Friedman, who believes in the near-certainty of an overheated economy and an acceleration of inflation in mid or late 1984.

Once the higher rate of inflation arrives, real growth will in any case slow down. If in addition the Fed tries to cut the growth of the money supply, real demand will be squeezed further and the result will be another recession. Thus a year's laxity has led to a no-win situation on the Friedman view.

The most articulate proponent of the more optimistic alternative view is the Federal Reserve Bank of New York in its Summer Quarterly Review. *Interestingly enough*, the *basis* of the New York Fed's rebuttal is a concept developed by Friedman himself, the NAIRU.

The New York Fed estimates that the underlying NAIRU rate of unemployment has risen from 4½ per cent in the 1960s to 7 per cent recently. Unemployment has fallen from its recession peak of more than 10½ per cent to about 9½ per cent. But it still has a long way to *go before it produces* an accelerating inflation; and the Fed believes that demographic and other changes are likely to reduce the NAIRU rate to 6 per cent by the mid 1980s.

The issues between Friedman and the New York Fed are difficult to specify precisely because the two have not joined battle directly. Friedman has never used the NAIRU concept for current policy analysis, possibly because he believes *it is too difficult to estimate in* advance.

Friedmanites would presumably doubt the New York Fed's "real economy" estimates of, for instance, the non-inflationary rate of unemployment and the effects of moving to that rate at varying speeds. There is also a disagreement about how likely the growth of Money GDP is to slow down to rates permitting non-inflationary growth after the monetary injections of the last year. Monetarists might also argue that the increase in the money supply has worsened inflationary expectations and has thus made even the short term trade-off between output and employment worse than a simple model would suggest.

The best that could happen on the monetary side would be a further, perhaps temporary, fall in velocity, so that recent monetary injections could be absorbed gradually. Then so long as the Fed adheres to its monetary objectives from now on there would be hope of reducing the growth of Money GDP to single figures in 1984.

On the real side, the best that could happen would be for wage settlements to be more sensitive to the level rather than the rate of change of unemployment, and for the Fed to be not too far out in its estimate of the underlying non-inflationary unem*ployment rate. The one or two* per cent rise in bond yields so far this year suggests, however, some market scepticism about the prospect.

Lombard

Radicalism for the privileged

By John Plender

IS THE Thatcher Government genuinely radical? No difficulty in answering the question if it refers to the administration of 1979-83. But for the second Thatcher regime the answer could be more equivocal.

The Conservative manifesto was, after all, bland to the point of tedium; most of the message was the mixture as before. And there have, since the election, been one or two revisionist straws in the wind. The first was the decision to call the hounds of the Office of Fair Trading off the Stock Exchange's restrictive practices, which left the unfortunate impression that radical medicine was reserved for trade unions and other traditional foes. Another has been the seeming reluctance to *embrace genuinely Tory solu*tions to the problems in occupational pensions. *The slogan* of portable pensions for all has so far failed to take wing outside right-wing think tanks.

More generally there is a hint of ennui in the atmosphere, as though policymaking impetus has sagged under the weight of the Chancellor's doom-laden prognostications for public expenditure.

Yet there is no shortage of radical opportunities, especially in the business and financial sphere. And as the first Thatcher Government demonstrated with the lifting of exchange controls and the introduction of index-linked debt, the most far-reaching innovations can involve little political cost and even have a beneficial short-term impact on public sector finance.

Competition policy is one obvious candidate for fresh attention. The weight of policy on restrictive practices has been directed primarily at unions and nationalised industries. Yet there are plenty of other institutions in the country which might benefit from being made more responsive to the market. Professor Stephen Littlechild has recently argued, *for example, that the Mono*polies Commission should be allowed to question State monopolies granted to the professions. There is also a case for requiring professional partnerships above a certain size to be subject to the same discipline of disclosure as companies. Similarly ripe for re-examination is the nebulous public interest criterion on which so many takeovers stand or fall.

There is room too, for a critical look at the sensitivity or otherwise of financial intermediaries to the needs of innovative business. The British banking system is excessively concentrated and has a heavy London bias. Could the ambitions of the building societies, which have a strong regional emphasis, be channelled into providing competition for the clearing banks outside the housing area in ways that counteract the present bias? And why not extend the principle of index-linking to nationalised industries where excessive debt financing often leads to heavy interest charges and a poor indication of real profitability?

Above all there is a need to take a zero-based budget approach (i.e. all costs to be justified from scratch) to the mass of tax expenditures and hand-outs that seem, under *Mrs Thatcher, to have become a* substitute for a growth policy. These ensure that small business is rewarded for being small, not for making profits; home-owners are rewarded for borrowing, not investing; small engineers are cosseted for being heavily represented in politically sensitive areas, not for productivity; life assurance policyholders are given relief for reasons that made sense 30 years ago but not necessarily today—and so on ad infinitum.

This often arbitrary division of the country into special categories of privilege can pay political dividends: mortgage relief wins votes. But for how much longer? In the U.S. President Reagan is beginning to have trouble with the so-called "fairness" issue because he is thought by some to have used his office exclusively to advance the interests of the already privileged. In Britain failure to achieve an equitable spread of misery may yet prove more damaging electorally than the misery itself.

Letters to the Editor

Political and scientific complexities of acid rain

From the Editor,
Environmental Data Services.

Sir, — In his enthusiasm for the Central Electricity Generating Board, David Fishlock did scant justice to either the scientific complexities or the political realities of the acid rain problem (September 7).

At no time has the EEC or any other international body "urged" a reduction of sulphur emissions to one-third of their present level. Earlier this year, six European states jointly urged emission reductions of one-third within a decade — a move which, for the UK, would entail less than half the quoted capital cost of £4bn.

Mr Fishlock quotes Dr Kenneth Mellanby to the effect that, if acid rain is to blame for forest damage in West Germany, then reductions in German emissions will do no good since the acid rain originates in other countries. This is an irrelevance: German emissions contribute to acid fall-out in neighbouring countries, just as UK emissions cause acid deposition in Scandinavia. It is precisely because the phenomenon is no respecter of national frontiers that an international convention on transboundary air pollution was signed in Geneva in 1979.

At present, a majority of scientists would agree with Mr Fishlock that acid rain is not the main cause of forest damage in central Europe. But most also believe that pollution by gaseous sulphur dioxide is a significant factor, along with emissions of nitrogen oxides and hydrocarbons and their atmospheric transformation product, ozone. Two Forestry Commission scientists who travelled West Germany last year observed die-back in spruce, fir and beech which they believed to have increased in intensity since the mid-1970s.

It is patent nonsense to say that all theories of damage from acid rain have "simply faded away" after being put to the scientific test. Mr Fishlock quotes Dr Peter Chester of the CEGB as saying that damage to Scandinavian fisheries does not correspond to differences in acid deposition. In fact, Dr Chester's argument is that sulphate levels in certain Swedish lakes do not correlate with the degree of fishery damage—but many Scandinavian and British scientists (including the Chief Scientist at the Department of the Environment) believe that looking for such a relationship is not particularly meaningful, since the fishery status of lakes is determined by other factors, such as aluminium leached from *soils* by acid rain and lethal to fish, and the significance of a given sulphate level as an indicator of acidification will vary widely with lake altitude and other influences.

The Scandinavians do not regard liming of lakes as anything other than a palliative for acidity problems. Liming can itself result in fish kills; it cannot prevent the leaching of toxic metals from acidic watersheds and it is unlikely to deal with the sudden surges of acidity after periods of high rainfall or snowmelt which are a key influence on aquatic life.

Environmentalists are not *looking for a "£1bn solution* to a £1m problem." The latest estimate of the annual damage costs of acid deposition, in a study by Environmental Resources Ltd for the European Commission, amounts to $0.5bn-$3.5bn in the EEC and Scandinavia — roughly equivalent to the cost of reducing emissions of sulphur and nitrogen by 25-50 per cent.

It is difficult to square the CEGB's stated reluctance to reduce its emissions before completion of the five-year research project which it is funding with recent political commitments *made by the UK. At this year's* EEC summit, the Prime Minister signed a declaration stating the need for urgent and effective joint action to curb acid rain; and in June the UK agreed under the Geneva Convention that it should make effective reductions in emissions by 1993. *Even interpreting this commit*ment generously, it would surely be impossible to achieve such reductions within a decade if no measures are taken for five years or more.

M. J. T. Mayer.
Unit 24,
Finsbury Business Centre,
40, Bowling Green Lane, EC1.

Alliance selection procedures

From Mr D. Davies

Sir,—As a former SDP/Liberal Alliance prospective Parliamentary candidate I find myself (along with many other SDPs) somewhat disenchanted regarding the attitude of the leadership of the SDP to the future of the Alliance. Joint selection of candidates for elections would appear to be an *essential first step to cement* the relations between the two parties.

It is at local level at which so much work needs to be carried out between now and the next General Election if the SDP/Liberal Alliance is going to succeed in taking many seats under the present electoral system. It seems right that Liberals should have a say in the selection of a prospective Parliamentary *candidate for an* SDP-led constituency; conversely, for SDPs to have a say in a Liberal-led constituency. The majority of Liberals and SDPs in the field appear to support joint selection. Therefore, it was very disappointing to see *the way in which the SDP* leadership handled the matter on Sunday at the Assembly. At times it seems as though the leadership is thinking more of its own political ends rather than what is best for the Alliance.

Even if we get a certain amount of help from the divided state of the Labour Party, and a falling-off in support for the Conservatives, the electorate will never be wholeheartedly behind the Alliance unless we are, and are seen to be, devoid of the bickering and self-aggrandisement which turns off so many voters. It was the supposed fresh and altruistic approach of the SDP, when formed, which appealed to so many persons. If we are seen not to be mould breakers then our chances of obtaining a very large number of Parliamentary *seats, at the* next General Election, are minimal.

Joint selection would go a long way to ensuring maximum co-operation and minimum conflict vis-a-vis those campaigning to win elections for SDP and Liberal candidates.

D. Davies.
49, Queen Victoria Street, EC4.

Lessons to be learned

From Mr D. Booth

Sir,—As we are in the season of Party conferences, I wonder if there are lessons to be learned from the famous Soviet "Scissors crisis" of 1923?

At the twelfth party congress Trotsky's speech had the following conclusions. This was "to increase the efficiency of industry by measures of concentration and by cutting overhead costs." The problem of unemployment was a secondary consideration "the necessity of dismissing men and women workers . . . was a hard, very hard nut" but a lesser evil than the "concealed unemployment of inefficient production."

So, we are all Trotskyists n'est ce pas?

D. J. Booth.
Ivy Cottage,
Waterditch, Bransgore,
Christchurch, Hants.

Accounts are for users

From Mr D. McEachran

Sir,—So SSAP 16 is on the way out. Good! Rarely can any profession have made such a simple concept (adjust the figures into constant money) seem so complex and meaningless to the world at large.

Let us forget about cost of sales, monetary working capital and gearing adjustments. Can we not simply take last year's figures, adjust them for the change in the value of money and leave it at that?

The coming debate on inflation accounting is far too important to be only by accountants for accountants. Accounts are produced for users. Please will the users tell accountants what they would like to see and please will the accountants listen!

Duncan McEachran.
24 Aysgarth Drive,
Darwen, Lancs.

Burning straw and pollution

From Mr R. Russell

Sir,—Regarding the letter from Mr Readman (September 9) about the nuisance of straw burning by farmers. To make a claim on your insurance company for any damage caused to one's home from smoke, smuts, etc. would seem to be the wrong way of attacking the problem.

Presuming that the straw burning is likely to be an annual event then there would be a claim every year on the insurance company who would very soon get disenchanted with the policyholder and either load the premiums accordingly or refuse to offer further cover.

It would be most unfair to load every farmer's insurance premium to balance the householders' claims. Apart from being a most circuitous solution it would be about as equitable as jailing every football supporter because a small minority are disruptive.

Direct action is surely the best remedy. The aggrieved householder should be able to complain to the farmer in question and then if there is no improvement in the situation take the matter to court as a claim against nuisance.

Whether or not farmers receive too much in subsidies does not affect the issue, which is how best to deal with an annoyance.

R. K. Russell.
Lindisfarne, Sandfield Park,
Liverpool.

Priority for tax reform

From Mr D. Lindsay

Sir,—It was interesting to learn (September 7) that, if the Chancellor had a "bit of head-room," reduction of the basic rate of income tax would not be his top priority in the tax field. Could this be a sign of hope for those of us who would like to see tax reform given higher priority, particularly in the field of personal taxation, where too many on the bread-line are subject to income tax due to the absence of any child tax allowance, and in the taxation of husband and wife, where the British system literally "taxes marriage"? No doubt the Chancellor will have noted the personal taxation table published in your survey on Germany (August 30) and, one hopes, taken to heart the fact that, due to the German system of income splitting, the tax liability of married couples, at any rate in the case of annual taxable incomes up to at least £20,000.00 is never greater than 75 per cent of the tax liability of a single person having the same annual taxable income.

D. G. Lindsay.
36 Orchard Coombe,
Whitchurch Hill,
Reading, Berks.

The future of British Rail

From Mr L. Irvine-Brown

Sir,—On August 26 you were kind enough to print a letter of mine in which I discussed the problems facing the then unannounced chairman of British Rail and I must confess that I have found the reactions to that letter most disappointing.

The problems facing Mr Robert Reid (the new chairman) include a hostile PM and Government, an almost equally hostile media and a Ministry which acts as though it were a part of his main competitors. But his main problem arising from the others is grossly unfair and unregulated competition: lorries where no relationship whatever exists between what they pay and what they cost the community; coaches, ditto, but in this case carried to the point of farce where a large coach can be put on the road for less than a Mini.

It might be merely silly to suggest a Serpell to look at road transport but surely these facts ought to be given some measure of publicity?

L. Irvine-Brown.
Church Street, Wyre Piddle,
Worcs.

FINANCIAL TIMES
Thursday September 15 1983

GO-AHEAD EXPECTED FROM TOP ECONOMIC POLICY BODY

Brazil set to approve IMF deal

BY ANDREW WHITLEY IN RIO DE JANEIRO

BRAZIL'S top economic policy body, the National Monetary Council, was set yesterday to approve the outline of the rigorous programme Brazil has agreed with the International Monetary Fund (IMF) that it will undertake in 1984.

The expected approval of the targets contained in Brazil's revised Letter of Intent to the IMF will pave the way for the formal delivery of the letter today to the Fund in Washington and the simultaneous resumption of negotiations with the international Bank Advisory Committee in New York.

The signing of the Letter of Intent is expected to lead to a rapid disbursement of the balance of last February's $4.4bn bank "jumbo" loan to Brazil. Morgan Guaranty bank, in charge of this aspect of the February package, has had a draft telex to the 116 participating banks, recommending the release of loans held up since May, ready for some weeks.

However, Western bankers estimate that only about $500m is still due to Brazil from the loan, after deducting interest payments, other costs and the repayment of $1.1bn in outstanding emergency loans made last year.

Brazilian officials are well aware that serious preparations for a new jumbo loan needed for 1984 cannot get under way until after the IMF board has considered the Brazilian agreement in about a month's time. And, in turn, they know that the IMF's assent hangs on the approval by the Brazilian congress of controversial wage limitation legislation.

The programme due to be presented to the National Monetary Council meeting in Brasilia yesterday attempts to reconcile the conflicting interests of the banks – anxious to limit as far as possible Brazil's new money requirement – and the Government, concerned to ease the country's crippling liquidity crisis.

On the external side, it calls for a $9bn visible trade surplus and a current account deficit of $6bn to $6.5bn, slightly lower than this year's anticipated $7.7bn.

A crucial element in these calculations is the estimate of $10.8bn in 1984 interest payments, based on an average Libor rate of 10 per cent. "If Libor were to rise, say, by 3 per cent, it would wreck the entire package," one banker involved in the negotiations said last week.

Domestically, there will have to be a considerable tightening of fiscal controls to make up for this year's total failure to meet IMF targets set in January.

During the course of the year, the ceiling for loans to the public sector – a key consideration for the IMF – was progressively raised from 7 trillion cruzeiros to Cr 19.15 trillion, $10.2bn to $28.5bn as inflation soared out of control.

The public sector deficit is meant to be near zero, in real terms, by the end of 1984, compared with 2.7 per cent of gross domestic product this year.

The much-criticised 1984 inflation target is for an average annualised rate of 90 per cent compared to 160 per cent for the current year. However, during 1984 the average monthly inflation rate is expected to fall so that by year-end, using December figures, inflation will be running at 55 per cent at an annual rate.

One grey area in the 1984 projections concerns the projected increase in foreign exchange reserves. Brazilian officials are speaking of an increase of only $1bn, while Mr Mark Leland of the U.S. Treasury said on Tuesday the figure was $3.2bn.

Bankers suspect this may be an area for manoeuvre the Brazilians are keeping in reserve, in case the current account deficit turns out to be wider than expected due to unfavourable international conditions. This year's planned increase in the reserves of $1.4bn is unlikely to be met.

Bankers worry about Philippines stability, Page 4

EEC may create 'Latin American' bank

BY HUGH O'SHAUGHNESSY IN BRUSSELS

THE EEC Commission is actively considering the establishment of a European and Latin-American Bank to channel medium and long-term funds to public and private sector enterprises in Latin America. The bank would have an initial capital of about $500m guaranteed by EEC member states and would borrow funds on the commercial market.

The bank is seen in Brussels as one means to aid soundly based Latin American enterprises which are encountering increasing difficulties in raising foreign capital in view of the often serious balance of payments situations of individual Latin American countries.

The idea, which was discussed and welcomed at the recent joint session in Brussels of European and Latin American parliamentarians, would give the Community a channel through which to assist industry in a region of the world which is important for EEC trade.

The bank, whose capital would also be open to subscriptions from the governments of Latin American countries and governments of European countries not members of the EEC, would help to compensate for the generally small participation by EEC countries in the international development agencies which specialise in Latin America. The total share of EEC countries in the capital of the Inter-American Bank, for instance is less than 5 per cent.

The EEC has been consistently criticised in Latin America for not giving due attention to the region and for concentrating its attentions on the countries of Africa, the Caribbean and the Pacific, many of which were former colonial possessions of European powers. The Commission has moved to meet this criticism and this year strongly supported the creation of an institute for European/Latin American relations, for which it is seeking financial support from the European Parliament.

UK trade union power under growing threat

BY JOHN LLOYD, INDUSTRIAL EDITOR, IN LONDON

THE IMMENSE difficulties facing British unions in retaining significant bargaining strength are revealed in a study of industrial relations in the UK, published today.

It shows that unions are far better organised in the public than in the private sector, and far better organised in large private companies than in medium or small ones. Political moves towards privatisation, and the industrial trend away from large plants, are combining to create dangerous pincer movement for organised labour.

The study, jointly sponsored by the Department of Employment, the Social Science Research Council and the Policy Studies Institute, is important not just for its findings – many of which run counter to conventional wisdom. It is also the first of a proposed series of objective and comprehensive surveys of the industrial relations scene.

The study is explicitly designed as a policy tool and will provide a detailed view of changes in the area.

The survey findings, based on more than 2,000 establishments and conducted in mid-1980, throw a sharp light on the Government's industrial relations legislation.

Closed shops covered about 27 per cent of the industries surveyed, being much more common among manual workers than white collar workers. The study found that exemptions from membership were rare – a finding which contradicts earlier research, and which is seen as supporting government claims that the right to be exempt from a closed shop on grounds of conscience should be enshrined in law, as the 1980 and 1982 Employment Acts have done.

Elections for shop stewards and other lay officials at workplaces, mainly by a show of hands, were widespread. However, workplace and occasionally postal ballots were conducted by almost all unions. Ministers will see this finding as demonstrating that forthcoming legislation to introduce balloting for union executives and on strikes will not be the unwelcome innovation that some union leaders have claimed.

Joint consultative committees, bringing together plant management and union officials to discuss a widening range of issues, had developed in more than a third of the plants surveyed, covering about half of the workforces.

This phenomenon will illuminate the debate on the European Commission's forthcoming legislation on worker consultation and participation, which has been met with a wall of hostility by UK employers and which will be the subject of a government consultative paper next month. The study shows that the "Continental" system of participation is by no means as foreign to UK practice as many employers had claimed.

The changing occupational structure is likely to mean fewer strikes, but more action of other kinds.

Opec may gloss over excess output problem

BY RICHARD JOHNS IN VIENNA

THE Organisation of Petroleum Exporting Countries' (Opec) market monitoring committee is expected to gloss over excess output by members above the collective ceiling of 17.5m barrels a day (b/d) when it meets in Vienna today.

The four-man ministerial committee chaired by Dr Mana Said al Otaiba, the United Arab Emirates' Minister of Oil, convenes amid uncertainty as to what Opec's average has been during the third quarter so far and the current level.

Distrust and lack of reliable reporting by member states is such that estimates by a group of Opec economic experts preparing a report in advance of the meeting is believed to have ranged from 17.7m b/d to 19m b/d.

The International Energy Agency (IEA), grouping the main industrialised consuming nations, calculated that the average for the July–September period would be 18m b/d. The well-informed newsletter Petroleum Intelligence Weekly reckons "around 18.5m b/d."

Views appear to be divided as to whether it would be better to turn a blind eye to the fact that the official ceiling of 17.5m b/d in force since the beginning of April has been ruptured.

The majority of the 13 members think that the whole issue should be left alone until the next ordinary ministerial conference scheduled for December. They say actual demand, which could be as much as 19m b/d for Opec crude in the fourth quarter, should cater for any breach of discipline. According to their argument, a rupture of the ceiling is not important so long as supply and demand are in balance.

Other Opec experts say that if no new ceiling is set to take account of higher production, the whole output-sharing agreement, reached in London last March and based on a system of individual quotas, could fall apart. This would affect market stability and the pricing structure, established in the spring, which has so far been maintained on the basis of a $29 reference price for Arabian light.

Saudi Arabia has been mainly responsible for the extent of excess production. Its rate this month is thought to have been 5.6m to 5.7m b/d compared with the maximum of 5m b/d assumed in the formulation of the pricing and production pact. Iran is thought to have raised its production to about 2.7m b/d compared with a quota of 2.4m b/d.

Because of the criticism that it would be likely to incur, Saudi Arabia – the Opec "swing producer" and world's marginal supplier – is opposed to an emergency meeting being convened.

Nigeria, as always the most critical factor in the equation, is believed to be in favour of such a gathering to decide on a higher ceiling and increased quotas, particularly for itself. In this event, other members would demand as a quid pro quo that Nigeria realign its top price, presently $30 per barrel for Bonny Light, to $30.50 as charged by Algeria and Libya

Sotheby's takeover

Continued from Page 1

present required under UK company law.

The Commission's report reveals that Mr Taubman plans to improve financial advice and planning, strengthen the marketing side and improve communications within the group. He also intends to develop financial and insurance services for Sotheby's clients.

The report makes clear that Mr Taubman will borrow half the cost of the takeover from a bank – although when he first emerged as a bidder his advisers said he would not have to borrow to make the offer.

Sotheby's shares rose 13p yesterday to a new high for the year of 685p.

Venezuela loan threat by Wells Fargo

Continued from Page 1

between the country's Finance Ministry and central bank which is disrupting interest payments on loans to private sector borrowers.

It is estimated that more than $400m of private sector payments are now in arrears and this is causing problems for international banks. By refusing to renew a loan to a public sector borrower, which will force it into technical default, Wells Fargo is understood to be increasing the pressure on the Venezuelans to introduce measures to allow the private sector to meet its interest payments at least.

The one-year loan, which was syndicated among more than 20 international banks, fell due for repayment on June 17. Since Venezuelan public sector borrowers have not been repaying their debts as they fall due, the banks gave Inos a 90-day extension, which expires next Monday.

Wells Fargo has told the borrower and the other banks in the syndicate that if no further progress is made in expediting private sector interest payments, it will not renew the loan on Monday. It is understood that if one bank refuses to renew the loan a default exists since the decision to renew has to be unanimous.

A banker close to the negotiations said: "We feel it is imprudent to renew things in the public sector when we have serious problems in the private sector." He said his bank was concerned about the rapid rise in Venezuelan arrears.

It is not clear how serious any default by Inos will be since it has no overseas assets which can be attached by international banks. However, other public sector loans have cross-default clauses in them which may be triggered by Wells Fargo's decision.

Wells Fargo has still to decide whether to take legal action to recover its debt in Venezuela, but other banks have not been so hesitant. The London-based Italian International Bank, for example, has filed a lawsuit in New York against Banco Industrial de Venezuela to recover a certificate of Deposit which was not repaid on maturity.

World Weather

		°C	°F			°C	°F			°C	°F			°C	°F
Ajaccio	S	24	75	Dubrovnik	S	23	73	Malaga	S	27	81	Salzburg	S	21	70
Akrotiri	S	29	84	Faro	S	26	79	Malta	F	27	81	Seoul	S	25	77
Algiers	S	29	84	Florence	–	–	–	Manila	S	34	93	Singapore	R	30	86
Amsterdam	R	15	59	Frankfurt	R	16	61	Miami	C	31	88	Stockholm	F	17	63
Athens	S	32	90	Funchal	F	23	73	Milan	F	22	72	Strasbourg	C	21	70
Bahrain	S	36	97	Geneva	F	21	70	Moscow	C	19	66	Sydney	S	27	81
Bangkok	S	32	90	Gibraltar	C	24	75	Munich	S	18	64	Taipei	S	33	91
Barcelona	C	25	77	Guernsey	R	16	61	Nairobi	S	29	84	Tangier	C	24	75
Beirut	S	29	84	Helsinki	F	16	61	Naples	S	23	73	Tehran	–	–	–
Belgrade	S	23	73	H Kong	S	31	88	New Delhi	S	35	95	Tel Aviv	S	29	84
Berlin	R	13	55	Innsbruck	F	20	68	New York	C	21	70	Tenerife	C	25	77
Biarritz	F	21	70	Inverness	F	13	55	Nice	S	23	73	Tokyo	S	28	82
Blackpool	C	16	61	Istanbul	S	25	77	Oporto	C	21	70	Toronto	F	17	63
Bordeaux	S	24	75	Jersey	F	17	63	Oslo	F	14	57	Tunis	S	26	79
Brussels	R	15	59	Jo'burg	S	25	77	Paris	R	14	57	Valencia	S	29	84
Budapest	S	21	70	Las Palmas	F	24	75	Prague	S	18	64	Venice	F	23	73
B Aires	S	23	73	Lima	C	22	72	Reykjavik	C	11	52	Vienna	S	20	68
Cairo	S	34	93	Lisbon	S	24	75	Rio de J'o	R	25	77	Warsaw	F	18	64
Cape Town	S	16	61	Locarno	S	21	70	Rome	S	24	75	Zurich	F	20	68
Caracas	R	28	82	London	C	18	64								
Casablanca	C	23	73	Los Angeles	S	35	95								
Copenhagen	F	16	61	Luxembourg	F	17	63								
Corfu	S	29	84	Madrid	S	27	81								
Dublin	C	16	61	Majorca	F	26	79								

Readings at mid-day yesterday:

C–Cloudy D–Drizzle F–Fair Fg–Fog H–Hail R–Rain S–Sun Sl–Sleet Sn–Snow T–Thunder

Bull 'to cut loss by more than half'

By Paul Betts in Paris

THE BULL group, France's largest computer maker, known as Cii-Honeywell Bull before nationalisation, expects to cut losses by more than a half to FFr 600m ($74.2m) this year.

M Jacques Stern, group chairman, said this improvement reflected a 28 per cent rise in the new Bull group's sales in the first half of this year compared with the first half of last year. Bull is expecting to report group sales of about FFr 11bn this year compared with sales of FFr 8.13bn for the former Cii company last year.

The new Bull group has taken over several other French electronic companies since nationalisation. The most significant transaction took place in April and involved absorbing Transac, the office systems subsidiary of Cit-Alcatel, itself part of the nationalised CGE group.

But despite what M Stern and M Francis Lorentz, Bull's general manager, described as encouraging signs, the two senior executives said Bull did not expect to break even before 1986.

The computer group still remains heavily undercapitalised, although the French Government is injecting FFr 1.5bn in fresh capital funds into the concern this year. M Stern argued that the group, which had only received a total of FFr 300m in new capital funds over a five-year period before it was nationalised, was still in need of substantial capital funds. But he declined to say what amount of support he was expecting from the French state next year.

M Lorentz said Bull was planning to spend about FFr 1.2bn in research and development this year compared with FFr 885m last year. The French state would contribute about FFr 250m towards Bull's research and development expenditure this year, an amount which M Lorentz suggested was inadequate.

Bull, together with Saint-Gobain, the nationalised French diversified glassmaker, is jointly negotiating with Olivetti of Italy a change in their shareholdings in the Italian electronics concern. Bull owns about 24 per cent of Olivetti.

Reuters agency to study public listing schemes

By Our Financial Staff

LEADING shareholders in Reuters, the London-based news agency and electronic financial information group, are to carry out a joint study to determine how the company should attain a public listing.

Reuters also announced it will be paying its first ever interim dividend, for the half year to June, of £40 ($59.6) for every £1 shares.

It paid a final dividend of £80 per share in 1982 compared with £20 in 1981 which was the first payment in 40 years.

Reuters insists it has still not committed itself to a flotation but it has come under strong pressure from a number of shareholders who are keen to realise their investment.

The agency said yesterday it had called in merchant bankers S.G. Warburg to act as advisers. Binder Hamlyn, the auditors, have been commissioned by Reuters to study the financial implications of the company going public.

Delors tackles inflation with tough budget

Continued from Page 1

ing 2.4 per cent in real terms this year and 4 per cent next. Investment in real terms is seen as dropping 2.6 per cent this year and 0.5 per cent next.

The budget assumes that inflation will fall this year from 8.4 per cent at an annual rate to 5 per cent at the end of next year.

Provisional figures yesterday showing prices in August rising by between 0.5 and 0.6 per cent suggest that this year's target is now out of reach without additional restrictive measures. The cumulative increase for the year is already 6.7–6.8 per cent.

The major savings have been achieved by freezing recruitment to the civil service after the 200,000 additional people taken on in the Government's first two years. The budget is also based on the assumption that civil servants will accept pay rises next year of about 5 per cent.

The Government has, however, maintained military spending in real terms through a 6.6 per cent increase in the defence budget.

THE LEX COLUMN

The clouds gather over Burmah

Burmah Oil has been paying dividends out of reserves since 1981 and begins to look like a group stuck well and truly in the mire. The shipping division has slipped back into the red in the six months to June, although a £3.3m exceptional accounting adjustment has offset the underlying deterioration. Worse, the group's only two really profitable businesses – oil exploration and production and the Castrol/fuels division – are going nowhere while the management is still struggling to sustain profitability in a clutch of more or less troubled companies which have earned just £2.4m in toto so far this year. Interim pre-tax profits of £31.3m compare with last year's £30.3m, but this takes no account of the £18.2m extraordinary debit for two cancelled VLCC charters, which leaves the attributable loss at £11.3m.

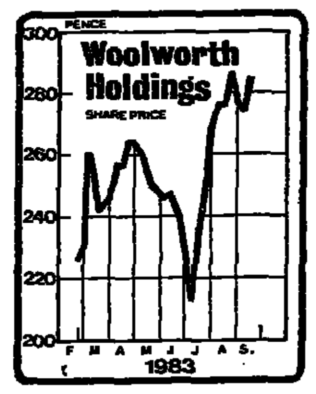
The cancellations probably did as much as anything to push the shares up 4p to 184p yesterday, since at those levels the price is more credibly tied to the possibility of a bid than a recovery. Anyone buying Burmah now, however, has more to worry about than its long-term charters. Even Castrol, the most coveted subsidiary, has lost a valuable Algerian contract and has seen its margins shrinking in the UK. In shipping, the loss of a major Pemex contract has turned the Bahamas terminal into a loss-maker and a ULCC has had to be laid up at an annual cost of £6m. Oil exploration results have continued to disappoint while production from the Thistle field is now falling steadily.

Debt remains just over £205m and, even on a full break-up, Burmah is unlikely to be worth much more than 240p per share. Even after the recent share price rise, a bidder might still see some daylight between an offer price and the realisation value. But, as Burmah's own frustrated efforts to sell Quinton Hazell have shown, taking on Burmah would be a bold enterprise.

Woolworth

Woolworth's new board has taken the easy initial steps to clean up the company's stock muddle and has managed to ride the consumer boom successfully. The result has been respectable first-half figures in the shape of a pre-tax loss, excluding property disposals, of £6.3m compared with £16.7m on a pro-forma basis.

The brightest spot is B and Q,



where the integration of Dodge City appears to have been completed. Operating profits in the period may have been in the region of £7m, producing, on a turnover somewhere in excess of £100m, a margin above the industry average. In the mainstream Woolworth stores, the timing of the cut in gross margins has proved much happier than the ill-fated "Operation Crackdown" in the previous year. With volumes in existing stores up by about 7 per cent, trading margins have been moving the right way.

Meanwhile, the level of debt is under firm control. In the current year, a net stock reduction of about £20m is likely, while property sales should produce cash equivalent to perhaps 80 per cent of the £45m capital spending planned, mainly on B and Q. Overall, the cash inflow should be about £20m. In the current half, volume improvements will be less dramatic and full-year pre-tax profits may emerge in the region of £15m ex-property, and somewhere above £30m if property is included.

Moving significantly beyond this level remains a long haul. The stock/turnover ratio will have been brought down from three times the Marks and Spencer level to twice, but reducing it further will require a coherent trading strategy, which has still to be formulated. Meanwhile, the unpleasant side of the stock clean-up will be reflected at the year-end in the shape of a write-down. The shares – up 7p yesterday to 285p – show no sign of the enthusiasts' losing heart.

Eagle Star

To judge by the market's very stony reaction to yesterday's 14 per cent jump in the interim dividend, Eagle Star is probably right to make an increased provision for industrial deafness claims. The need to shore up reserves against anticipated claims reaches straight through to the bottom line, apparently taking some of the bloom off the shares, which fell 5p to 433p.

In the UK, most classes of underwriting have shown better results, the exception being the motor account, but since rates have started to edge up, even here the worst may be over.

There is also a more-than-useful improvement from the industrial holding subsidiary, Grovewood, although the one-third jump in first-half profits is flattered by the comparison with an ice-bound half in 1982.

Eagle's dividend increase is comfortably at the head of the composite league table, but it is evidence of an exceptionally solid capital base rather than of brilliance in current trading. Even with fading hopes of a takeover – after last week's flurry of rumour, which sent the shares up 23p in a day – Eagle stands at a noticeable premium to the sector, on a yield of little more than 6 per cent.

Sotheby's

The Monopolies Commission report on Sotheby Parke Bernet is no bargain at £3.30 a throw. In the absence of any argument against allowing Mr Alfred Taubman to take over the company, the commission has dispatched of the matter in double-quick time, taking only 26 pages to reach a conclusion which is not just unanimous, but overwhelming.

It is hard to imagine that the recommendation would have been any different if the hats of Messrs Swid and Cogan were still in the ring. The sketchiness of the report says far more about the quality of the original reference than about the work of the commission itself.

The report does, however, shed a little light on the commission's view of its own terms of reference. It comments that the nationality of a bidder should not normally be a factor in any recommendation, except where "special," – and largely unspecified – circumstances prevail. Of more interest is the obvious weight attached to the personal qualities of Mr Taubman. It remains unclear, however, whether poor character references are a sufficient reason for blocking the purchase of a UK public company or indeed what personal attributes are expected from prospective offeror-

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SECTION II – INTERNATIONAL COMPANIES
FINANCIAL TIMES
Thursday September 15 1983

Lambert reshapes operations in U.S.

GROUPE BRUXELLES Lambert, the major Belgian bank holding company, is reorganising its U.S. interests, which include a 36 per cent stake in the securities concern Drexel Burnham Lambert. A new company, Lambert Brussels, has been established to hold all its U.S. investments, which also include a 20 per cent stake in U.S. Shelter, and a number of property and venture-capital investments, AP-DJ reports.

Groupe Bruxelles intends to bring in other investors. The company said that while it will have a majority interest in Lambert Brussels, a group of Kuwaiti, European and U.S. investors will hold a minority interest.

Lambert Brussels begins with capital and investments valued at $407m, of which $165m is cash available for investment. The company plans to direct its investments toward financial services, property, energy and "special situations."

Baron Lambert, chairman of Groupe Bruxelles, will be chairman of the new investment company. Drexel officials said they do not expect any change in relationship with Groupe Bruxelles, which began investing in Drexel in 1976.

Airliner demand 'to grow'

By Michael Donne in London

A MAJOR growth in demand for civil airliners and engines over the next 15 years is forecast by Rolls-Royce, the UK aero-engine manufacturer.

A new study prepared by the company shows that from now until 1997, passenger traffic growth worldwide is likely to run at an average of 5.8 per cent a year.

This growth is likely to generate a demand over the next 15 years for more than 5,000 commercial airliners of all kinds, of which so far only about 807 have been ordered.

These aircraft cover the entire spectrum of types, from the small Fokker F-28 and British Aerospace 146 regional commuter aircraft, up to the long-range Boeing 747 Jumbo jets and the new generation of wide-bodied, twin-engined aircraft, such as the proposed 150-seater airliners.

The Rolls-Royce analysis suggests that this demand for aircraft will generate in turn a requirement for close to 12,000 engines of all kinds, from the "big thrust" types such as the RB-211-524 in the Jumbo jets down to new engines such as the IAE-2500 which it is hoped may be built by an international consortium of UK, U.S., Japanese, Italian and West German engine companies.

Rolls-Royce estimates the value of this potential engine market at about £27bn ($40.2bn) over the 15-year period, and believes that it can capture at least 20 per cent of that business.

Mesa turns its bid sights to KN Energy

BY WILLIAM HALL IN NEW YORK

MESA PETROLEUM, the independent Texas oil company headed by Mr T. Boone Pickens Jr, has returned to the takeover trail with a $466m bid for KN Energy, a Colorado-based natural gas pipeline company.

Mesa, which has built up a reputation as a shrewd investor in oil stocks, has made more than $100m of capital gains during the past year on stakes it acquired in Cities Service, General American Oil and Superior Oil.

It made takeover bids for the first two, which flushed out subsequent rival bids at higher prices, resulting in a handsome profit for Mesa Petroleum.

In the case of Superior, which is regarded as a prime takeover target, Mesa sold its 3 per cent stake at above market prices a fortnight ago and agreed not to make a bid for Superior for the next seven years.

KN Energy, which used to be called the Kansas-Nebraska Natural Gas Company, has also been regarded as a takeover candidate.

Mesa has purchased 337,000 shares, equivalent to 3.9 per cent of KN Energy, in a private transaction valued at $44.50 per share.

Mesa also intends to acquire KN Energy's entire outstanding common stock through an exchange of 3.5 Mesa shares for each KN Energy share.

Mr Pickens said yesterday that, based on Tuesday's closing price of $15.50 per share of Mesa, KN Energy stock is valued at $54.25 per share.

After yesterday's announcement KN Energy's share price jumped $11 to close at $56.

Baldwin-United to sell investment unit

BY PAUL TAYLOR IN NEW YORK

BALDWIN-UNITED, the troubled U.S. diversified financial group, said yesterday that it had agreed to sell its once-prized MGIC Investment Corporation "as soon as market conditions warrant", as part of its recovery programme.

The company said it had agreed with the state insurance commissioners of Arkansas, Indiana and Wisconsin to "create a special commission" to plan the sale of MGIC, the biggest insurer of home mortgages in the U.S., and its major subsidiaries, Mortgage Guaranty Insurance Corporation, American Municipal Bond Assurance Corporation and MGIC Indemnity Corporation.

The commission will be composed of representatives of the three states' insurance departments, Baldwin-United and the banks which helped fund Baldwin's $1.2bn cash acquisition of MGIC late in 1981.

The move to sell MGIC had become increasingly likely following the insurance commissioners' decision earlier this year to protect annuity policyholders by placing six Baldwin companies in rehabilitation proceedings.

Ahead of that decision Baldwin had begun an asset sale as part of a restructuring scheme. In the quarter to March the group announced a $617m loss after write-offs amounting to $567m, leaving a stockholders' deficit of $221m.

Mr Victor Palmieri, Baldwin's president and chief executive, said "The sales of MGIC Investment is in the best interests of SPDA (Single Premium Deferred Annuity) policyholders and Baldwin's stockholders and creditors because it protects MGIC Investment from the adverse effects of Baldwin's current financial problems and maximises its equity value for all concerned."

The sale of the MGIC unit will represent a considerable slimming-down of the Baldwin-United group. The unit had a revised net loss of $106m in the first quarter, but Mr Palmieri said in July that he intended to make it "a profit centre" of a rejuvenated Baldwin. It had a consolidated asset value of $2.15bn and $1.1bn in shareholders equity at mid-year.

Baldwin-United, which is also currently trying to renegotiate around $1bn in short-term debt before a September 30 deadline, emphasised yesterday that the sale of MGIC will not be "a fire sale."

Goldman Sachs will assist the special commission in planning and negotiating the sale.

Montreal bank gains

A C$3.2m reduction in bad and doubtful debt provisions together with higher net interest income enabled Bank of Montreal to lift third quarter net earnings by 10 per cent, Reuter reports.

For the three months to July the bank, Canada's third largest chartered bank, raised profit from C$70.1m to C$77.2m (U.S.$62.8m), or from 99 cents to C$1.07. This took the nine-month total to C$213.9m, against C$200.7m, or from C$2.93 to C$2.95 a share.

The improvement in net interest income during the period, from C$345.8m to C$397m was influenced by "somewhat better" domestic interest rate spreads

Assets at the end of July totalled C$63.7bn, down C$200m over the quarter but up a similar amount over the year.

Hamilton plans major merger

By William Hall in New York

HAMILTON BROTHERS, one of the North Sea's leading independent producers, intends to merge its U.S. and UK subsidiaries into a new U.S. holding company, Hamilton Oil Corporation.

Since 1975, when the Denver-based Hamilton Brothers brought the first oil ashore in the British sector of the North Sea, the company has been among the more active and successful explorers for North Sea oil.

Both the UK and U.S. companies, however, have often participated and Hamilton Brothers says the merger would reduce operating costs and administrative expenses and create a company with greater financial resources.

Hamilton Oil Great Britain was floated on the UK stock market in 1981. It earned approximately $11.2m on revenues of $60.8m last year and assets of $99m.

Hamilton Brothers Petroleum Corporation, the U.S. company, earned $9m on revenues of $169m and assets of $362m.

In terms of oil reserves, the UK company is the bigger, having 27.9m barrels of proven reserves compared with the U.S. company's 20.3m barrels. The latter, however, has the larger reserves of natural gas supplies, with proven reserves of 203.5bn cu.ft compared with the UK company's 167.4bn cu.ft.

The move is the latest in a series which has led to the consolidation of Hamilton Brothers' far-flung oil empire. Earlier this year Hamilton Brothers Petroleum Corporation acquired Hamilton Brothers Oil Company.

The moves are all aimed at streamlining and simplifying the corporate structure and follow the decision by Mr Ferris Hamilton, one of the two co-founder brothers, to sell his stakes in the U.S. and UK companies to Volvo, the Swedish car producer, last year.

As a result Volvo owns an 8.8 per cent stake in the UK company and a 25 per cent stake in the U.S. company.

Mr Fred Hamilton, the other brother and the group's chairman and chief executive, also owns 25 per cent of the U.S. company and 34 per cent of the UK company. Some 40 per cent of the UK company is held publicly.

Hamilton has indicated that the proposed exchange of shares in Hamilton Petroleum Corporation and Hamilton Oil Great Britain for shares in Hamilton Oil Corporation is expected to take place in November. It is understood that the shares will be quoted on the UK stock market as well as in the U.S.

Hamilton is also discussing the possibility of injecting certain private partnership interests organised by Hamilton and certain oil and gas properties held by Volvo into the new company.

OSBORNE CRASH RESOUNDS THROUGHOUT THE INDUSTRY

Computer makers feel cold blast

BY LOUISE KEHOE IN SAN FRANCISCO

THE collapse of Osborne Computer has sent a cold shiver through the heated U.S. personal computer industry.

Although rumours of Osborne's financial difficulties had circulated within the industry for several months, news that the company had shut down all production operations and laid off all but a few of its staff and workers came as a stark reminder that sales growth and publicity do not alone make a company successful.

While sales of personal computers are booming, some of the best known companies in the business are finding it difficult to make a profit.

Osborne's financial pressures reached crisis point this week when a Silicon Valley maker of printed circuit boards filed a suit claiming that Osborne owes more than $4.5m for materials supplied. In all, Osborne's debts are believed to total more than $30m, including a bank debt of nearly $20m.

As industry analysts pore over Osborne's remains, there is increasing speculation that the company will not be the only victim of a major industry shakeout among the estimated 150 U.S. manufacturers of personal computers.

Even the industry's leaders are being re-examined for signs of weakness by investors and prospective customers. Apple Computer's stock fell sharply last week after reports that the company's new Lisa computer may not be selling as well as expected.

U.S. PERSONAL COMPUTER SHIPMENTS

	1981	1982	1983 1st half
Osborne	7,000	73,000	27,000
Apple	225,000	350,000	330,000
Victor	0	19,000	30,000
IBM	20,000	180,000	200,000

Source: InfoCorp

Analysts seemingly ignored a more telling admission from the company that sales of its bread-and-butter product, the Apple II, were flattening.

Osborne's bad news overshadowed that of Victor Technology, the maker of the Sirius personal computer, that has taken first place in the European market, and third in the U.S., for small-business personal computers.

Victor announced further redundancies of 350 people at its Scotts Valley plant on Monday. The company has dismissed more than 1200 employees – nearly half of its workforce – since August 1.

Victor's difficulties began with a shortage of disk drives, the data storage units that plug into personal computers. Industry sources say that IBM bought up supplies for use on its personal computer and Victor was left without essential parts.

Victor says that because of the shortage it was unable to keep up with orders and was forced to buy more expensive parts that reduced margins. Bad debts and accounting problems were also blamed as contributing problems by the company.

Victor, Osborne and possibly many other personal computer makers are victims of their own success. Their revenue growths have outstripped their abilities to maintain control.

"Osborne had the problems of any start-up company, except that they were magnified, made worse, by the fact that the company had revenues of $70m in its first year," says one laid-off Osborne executive.

Until the summer of 1982 – when Osborne was in its heyday – the company had no formal inventory control systems, he admits.

When Osborne introduced its new Osborne Executive in April, the company expected to sell off its inventory of the original Osborne One computers within a few weeks, and was shocked to discover a large inventory of the old machines in the distribution pipeline.

Victor's story has several parallels. Like Osborne, the company grew at an incredible rate. Just 18 months ago Victor had 18 employees. By August this year the number was 2,700.

Victor started life two years ago as Sirius Computers and changed its name to Victor after the acquisition of a distributor called Victor United. Industry sources suggest that it inherited a top-heavy sales force that has contributed to its problems.

As well as reducing its workforce to "bring costs in line with anticipated demands for the fourth quarter," Victor plans to rationalise its accommodation. A company spokesman confirmed that operations have been scattered in "20 or more buildings . . . I'm not sure exactly how many," nor was Victor's accounting of receivables exact. The company has just written off $4m in bad debt.

Victor will be saved from its success, however. On Tuesday, Kidde Inc, a diversified industrial products company, which holds a 43 per cent stock interest in Victor, said it will advance "funds" to Victor, though it did not reveal the amount. Osborne, however, was unable to find a benefactor in time.

Chrysler Corp to pay dividend

CHRYSLER has said it will pay $116.9m in dividends on its $2.75 cumulative preferred stock on December 15 to cover dividends omitted on the preferred over the last four years, Reuter reports. Chrysler said the payout represents a dividend of $11.6875 per share.

Chrysler last month completely repaid $1.2bn loan guaranteed by the U.S. government.

BP's French offshoot cuts loss

BY PAUL BETTS IN PARIS

SOCIÉTÉ Française des Petroles BP, British Petroleum's French subsidiary, reported yesterday a FFr 278m ($34.3m) loss for the first half of this year compared with a loss of FFr 408m during the same period last year.

The company said the lower loss reflected the change in the French Government's formula to fix petroleum product prices which came into effect at the beginning of the year. But the improvement in the way the formula is fixed still failed to reflect adequately the depressed international oil situation and the strength of the dollar against the French franc.

Moreover, BP joined the long list of oil refiners in France to complain about the latest modifications made by the Government to the domestic oil price fixing formula, whereby the dollar component in the formula will be calculated on the basis of a dollar-franc exchange rate of FFr 7.70 for the next four months.

BP said this rate of exchange was unrealistic since the dollar has been trading at more than FFr 8 in recent weeks.

BP reported sales of FFr 10.4bn during the first six months of this year compared with FFr 10bn in the same period last year.

Kenneth Gooding and John Davies report from the Frankfurt Motor Show

Renault unit to cut output

RENAULT's commercial vehicle subsidiary RVI expects a 10 per cent drop in truck output this year in France to 38,000 according to M Pierre Semerena, the RVI president.

Output of the group's 50 per cent owned offshoots in Spain and Britain will also fall slightly – to 3,500 in Spain and to just under 5,000 in Britain.

Renault has recently taken control of Mack Trucks of the U.S. and that company's 1983 output is likely to be down by 10 per cent to 15,000.

M Semerena also confirmed that RVI's losses would be higher than last year's FFr 746m ($92.2m).

RVI's main immediate priority was to regain a 45 per cent share of the French market for trucks over 5 tonnes gross weight. Its share had dropped to 38 per cent because buoyant French demand had attracted cut-price imports.

Daimler-Benz sees rise in car revenue

DAIMLER-BENZ, the West German motor vehicle manufacturer, expects a further healthy boost in sales revenue from cars this year, but sees difficulties in truck markets.

Dr Gerhard Prinz, the chief executive, said yesterday that revenue from car sales should rise by more than 10 per cent this year.

Last year the group increased worldwide car sales revenue by 13 per cent to DM 18.7bn ($6.98bn), slightly less than half group revenue of DM 38.9bn. Revenue from commercial vehicles amounted to DM 18.9bn, while other activities, including motor and pump sales, produced DM 1.3bn.

Dr Prinz said that the number of Daimler-Benz cars registered in West Germany in the first eight months of this year was up 6 per cent on last year.

He said the company's market share had fallen, but its policy was to aim for steady growth and stable capacity utilisation, avoiding as much as possible fluctuations stemming from the economic situation.

Daimler-Benz increased its exports of cars by 3 per cent in the first eight months of this year, while the West German car industry as a whole suffered a 5 per cent setback in exports.

Dr Prinz said that competition in truck markets had become much more intense.

Middle East markets for trucks had shrunk and competition was therefore much sharper in European markets. The industry's profits on truck sales would be affected as a result, he said.

Daimler-Benz truck exports are lower than last year, but the group has extended its market share in European export markets.

In West Germany, its commercial vehicles have at least held on to their market share, with heavy-duty trucks gaining some ground to take nearly 60 per cent of their market.

Daimler-Benz executives have pointed out that at the larger end of the truck range, the group's plant at Wörth is producing at about its normal capacity of 100,000 a year. They say it is difficult to forecast the market for light commercial vehicles under 6 tonnes, but they are hoping for a slight increase in sales this year.

Referring to the smaller 190 compact class of cars, launched late last year, Dr Prinz said that 50,000 were registered in West Germany in the first eight months of this year, more than any other comparable vehicle.

Dr Prinz said that more than half the purchasers of the compact models were new customers for Daimler-Benz.

The company plans to produce 109,000 of the 190 models this year.

State aids Daf's big investment

DAF TRUCKS of Holland is in the final stages of putting together a financing package for a Fl 600m ($200m) investment programme, Mr Art van der Padt, chairman, said yesterday.

The money will be raised from various banks and the Dutch Government has already said the programme qualifies for state support under the country's scheme to encourage industrial innovation.

Mr Van der Padt would not say how much state cash would be involved but other sources suggest it would be Fl 140m.

The cash will be used during the next five to six years on the development of a new range of products and improving production techniques at the Daf factories in the Netherlands and Belgium. Mr Van der Padt said much of it would go towards the development of Daf's diesel engines.

The recent purchase by a Dutch consortium of a 37.5 per cent stake in Daf, put up for sale by International Harvester of the U.S., was an important step towards achieving the right financial package for investment, he said.

The share sale increased the Dutch Government's involvement in Daf. The Dutch state mines already had a 25 per cent stake

Carrian fate in the balance as debt plans withdrawn

BY ROBERT COTTRELL IN HONG KONG

THE SURVIVAL of Hong Kong property group Carrian hangs in the balance following the *withdrawal of debt restructuring* proposals for its principal public company, Carrian Investments Limited (CIL).

Creditor banks had been asked to decide by Monday whether or not to support the scheme drawn up by CIL's merchant banking adviser Hambro Pacific, but not all committed themselves to do so. Bankers say that Hambros has now withdrawn the proposals, but has told lenders that the scheme commanded sufficiently widespread support to suggest further discussions would be wroth while.

The Carrian group owed banks some US$ 1bn at year-end 1982, a figure which subsequent asset disposals has reduced by approximately one-third.

Hambros's scheme would have required CIL creditors to write down loans in exchange for new preference shares. A scheme proposed by merchant bank Wardley for Carrian Holdings (the unquoted parent of the group) simply asked creditors to defer claims for interest and principal repayments. CIL and Carrian Holdings stopped paying interest on debt in January this year.

The Hambros scheme also featured a proposal to appoint Mr John Boyer, former deputy *chairman of the Hongkong and* Shanghai Banking Corporation, as principal creditors' representative in Carrian's management. Mr Boyer is being retained as a consultant by Carrian pending a decision on the group's future.

A key factor in upsetting CIL rescue hopes was a large four-day police raid on Carrian's headquarters beginning Saturday, which culminated in the *seizure of several boxes of* documents. Police say the raid was triggered by "allegations of fraud," but have declined to be any more specific. Police also searched offices of other firms associated with Carrian.

Apart from the questions begged by the police raid, bankers are highlighting two *other areas of concern* relating to Carrian. They remain anxious for details of the full extent of loans to Carrian Holdings made by Bumiputra *Malaysia Finance, the* Hong Kong arm of Bank Bumiputra Malaysia.

BMF is known to have been a large lender to Carrian and bankers *suggest its exposure* may be even greater than was earlier appreciated.

Bankers are also waiting the outcome of proposals to sell *China Underwriters, the publicly-quoted* insurance subsidiary of CIL, to Malaysian interests. The sale, which Carrian hoped to complete by September 9, *is still* awaiting approval from Hong Kong's regulatory authorities.

Some bankers believe that Carrian is rapidly approaching the end of its active life, following almost a year of complex negotiations since it first declared "*liquidity difficulties*" in October last year. They point out that, without an agreement on debt restructuring for both CIL and Carrian Holdings, the *companies remain vulnerable to* a winding-up petition from one of the about 50 creditor banks.

The group, with a negative net worth, would find such a petition hard to resist. Yet any such restructuring agreement would probably be impossible to reach unless and until *Carrian received a clean bill of* health from the police, and until bankers were sure that they had a comprehensive financial picture of the secre*tive and labrynthine group as* a whole.

Australian retailers' profits soar 21%

By Michael Thompson-Noel in Sydney

DAVID JONES, the Australian retailer controlled by Adelaide Steamship Company (Adsteam), reported a *21.6* per cent increase in consolidated operating porfit for the year to July 30, 1983, from A$19m to A$23.2m (*U.S.$20.2m*).

It has declared an unchanged final dividend of 10 cents per share, payable on December 8, for a total of 20 *cents per share* (17.5 cents previously).

Sales in Australia were 6 per cent higher, at A$553m, with second-half turnover *said to have been particularly* strong in New South Wales, Adelaide and Melbourne.

"Gross margins were maintained on these improved sales, while overheads contined to be well-controlled," the company said.

However, the U.S. subsidiaries (including Buffums, and Eastman and Capital Office Supply Company), were hit by general flatness in demand, though producing a small improvement in profit.

Extraordinary profit for the group was A$3.7m (previously A$7.1m), making a total profit for the year of A$26.9m (previously A$26.1m).

● Humes, the Australian concrete, steel and plastics group, saw a 17.6 per cent improvement in net profit in the year to June 30, to A$21.5m (U.S.$18.7m) of which overseas interests contributed 36 per cent.

The final dividend is 6 *cents per share*, payable on October 27, for a total of 10 cents (unchanged).

MPH and Bersatu in satellite town venture

BY WONG SULONG IN KUALA LUMPUR

THE investment arms of Malaysia's two leading political parties representing the Malays and Chinese, have reached a *multi-billion* dollar deal to develop a satellite town outside Kuala Lumpur.

Permodalan Bersatu and Multi-Purpose Holdings, respectively the investment *arms of* the ruling United Malays National Organisation and the Malaysian Chinese Association, are to set up a joint company to develop the 1,450 acre Kepong Estate, 20 km north of the capital.

The estate is to be converted into a satellite town with 20,000 residential houses and commercial units, spread over a period of 10 to 12 years. The joint company, to be called Multi-Purpose Bersatu, will be 51 per cent owned by *MPH and* 49 per cent by Bersatu.

MPH is to sell the Kepong Estate to the joint company for 39m ringgit ($16.6m). The estate was originally owned by Kuala Lumpur-Kepong, a major *plantation group,* which sold it to MPH in 1979 for 33m ringgit because it could not get the authorities to lift the order gazetting the estate as "park-land."

Tan Sri Ibrahim Mohamed *and Mr Tan Koon Swan,* the respective heads of Bersatu and MPH, have also disclosed that the two groups are finalising *another* multi-billion dollar joint venture, this time with Bersatu having 51 per cent and MPH 49 per cent.

The project is understood to be *the development* of 1,700 acres of agricultural land in Cheras, south of Kuala Lumpur, into another satellite town. The land is owned by MPH.

Tan Sri *Ibrahim* and Mr Tan said the Kepong deal was in response to a call by Dr Mahathir, the Malaysian Prime Minister, for a non-racial *approach* to business and commercial development.

Both UMNO and MCA had been political allies since 1955, and it was appropriate for them *to enter into a* business partnership as well, they said.

MPH, which was set up seven years ago, is now one of the 10 biggest companies on the Kuala Lumpur and Singapore Stock Exchanges. Bersatu has a much *smaller* capital and operational base.

In the past, MPH activities have generated considerable political controversy. Recently, the Chinese group undertook a major reorganisation programme designed to depoliticise its activities by making MPH into an investment and holding company.

Japan to revise yen loan quotas

TOKYO — Japan's policy of increasing yen syndicated loan quotas gradually irrespective of fluctuations in the yen-dollar exchange rate may be modified when yen syndicated loan quotas to Japanese banks are set for the latter half (October to March) of fiscal 1983, according to the Finance Ministry.

The quotas will now be set in the light of market realities.

Quotas totalling Y700bn ($2.87bn) for the first half (April to September) are now used up by most banks, but some are leaving part of their quotas unused.

Because of difficulty in finding good borrowers, some Japanese banks have engaged in stiff competition to get mandates and become agents.

The supply of yen syndicated loans *has been largely limited* to foreign governments and government-related organisations and to international financial institutions, because corporate borrowers have been reluctant to borrow because of exchange risks.

A final decision on October-March yen syndicated loan quotas is due to be taken towards the end of this month or early next month.

Dollar syndicated loan quotas in October-March will probably decline from the total of $8bn for the April-September period because the market has been shrinking.

Undisclosed amounts for possible fresh relief loans to Brazil *and* other Latin American countries, which were included in the April-September quotas, will be carried over into the next period.

● The Tokyo Stock Exchange plans to raise the commission *on equity transactions to* Y0.035 per share from Y0.030 starting October 1, subject to approval by a board of directors meeting on September 20. Commission *on convertible and warrant* bonds will also be raised, but details have not yet been worked out.

Reuter

DFC backs ANZ offer

By Our Sydney Correspondent

DEVELOPMENT Finance Corporation (DFC), the Australian investment bank, has recommended acceptance of Australia and New Zealand Banking Group's (ANZ's) revised A$91.9m (U.S.80.9m) cash and share takeover offer.

ANZ is offering A$11 per share *for* all DFC's 8.35m ordinary shares, or cash and shares in any combination. The offer is conditional on a 90 per cent acceptance level.

DFC's latest full year profit was A$11.2m, against A$7m previously.

Pakistan to ban foreign reinsurance

By Mohammed Aftab in Islamabad

FOREIGN companies engaged in reinsurance business will be banned in Pakistan, according to a proposal now awaiting Government approval.

Such companies have nearly half of the Rs 1bn ($75m) a year reinsurance business, while the other half is already handled by the state-owned *Pakistan Insurance Corporation* (PIC).

Officials said that saving scarce foreign exchange and revenue needs of the Govern*ment are behind the move.*

The reinsurance business is shared between the PIC and nearly 40 private companies. Already, the PIC handles all the Government's reinsurance business.

The official committee appointed five years ago, has now proposed that the foreign companies should be banned in the reinsurance field. All life insurance is already under Government control since its nationalisation in 1974.

After allowing the PIC to do most reinsurance business, whatever is left, is now proposed to be controlled by the Pakistan Banking Council (PBC), a Government body overseeing all nationalised banking since 1974. The PBC *will establish panels of* Pakistani insurance companies to undertake reinsurance business.

The committee also recom*mended the tightening up of* general insurance in Pakistan,

Switzerland's 'Big Five' banks look towards record year

BY JOHN WICKS

Swiss banks enjoyed a strong start to the year, according to the half-year statements of the Big Five, and the balance sheet figures for the first three-quarters, expected around the end of next month, look like supporting the trend. But movements in the bullion and foreign exchange markets play a part

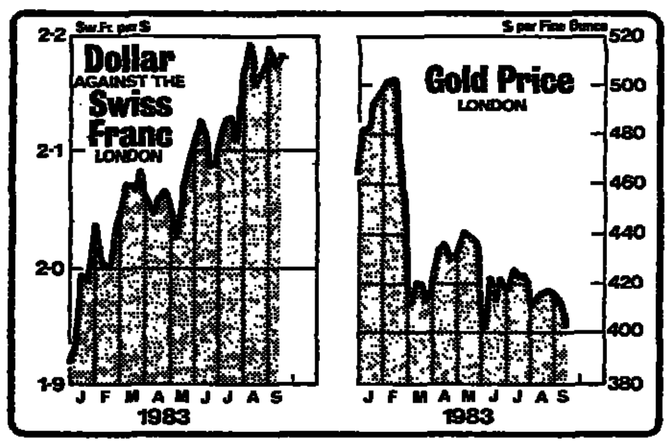
SWISS BANKS look like booking another profits record in 1983. First-half results from the "Big Five" have shown higher earnings from virtually all operations, and the banks have forecast a continuation of this trend for the rest of the year. The third quarter figures to be published about the end of next month will provide the next measure of events.

In 1982, Switzerland's five top banks — Union Bank of Switzerland, Swiss Bank Corporation, and Credit Suisse, the "Big Three," and Swiss Volksbank and Bank Leu — reported a rise in combined net profits of some 14.3 per cent to a record of almost SwFr 1.2bn ($550m). This growth was much faster than the 8.3 per cent increase in the balance sheet total, resulting partly from such technical matters as the rise in the dollar and in the gold price. Much the same improvement in performance was booked by most of the country's other banks.

Although no profit figures are published for the first six months, the banks' interim reports are positive in respect of earnings. All the "Big Five" speak of gratifying results for the period ,Credit Suisse specifying that gross earnings had reached their highest level ever. The same thing would seem to apply to the others, as Swiss Bank Corporation, Swiss Volksbank and Bank Leu have all stated categorically that earnings were higher than for the first half of 1982.

This improvement is partly the result of a higher volume of business. However, the growth in balance-sheet totals varied considerably from bank to bank — between 1.2 per cent for the Volksbank and 9.2 per cent for Swiss Bank Corporation — over the first half and was due in part to a further strengthening of the dollar and an increase in bullion accounts. There would therefore appear to have been an improvement in performance above that tied to business growth.

Profits were evidently higher in all fields of activity. With the stock exchanges having worked at peak levels, the banks have benefited particularly from a jump in securities transactions. They also did very well in foreign-exchange and precious-metals trading, and in the letter-of-credit sector. Of particular importance for the banks has been the return of interest patterns to more normal levels since early last year. A distortion in such patterns had hit Credit Suisse, Volksbank, the Cantonal and regional banks particularly badly in 1981. Net first-half interest income was well up on comparable 1982 first-half figures, despite a slight downward trend in the second quarter.



At the same time, rationalisation and automation projects have succeeded in cutting back operational costs.

Unlike their competitors in the U.S. or Germany, Swiss banks have no real sovereign-risk problem. They naturally stand to lose in any case of a major payments crisis in Latin America or elsewhere, but relatively modest sums are involved on this occasion. At present, bankers in Switzerland are much more concerned at the sharp rise in domestic credit risks. Apart from the growth in bad debts, a natural by-product of recession, banks have felt it necessary to bale out a considerable number of their business clients in the interest of the national economy and their own reputation. Alone, the backing of the pending watch industry merger between the crisis-stricken companies SSIH and Asuag could cost an eight-bank consortium the best part of SwFr 1bn.

All in all, the banks are finding they have to set aside a substantial sum in depreciation and provisions against the increased national and international credit risks. This will doubtless mean that even a very good year in 1983, in an underlying sense, brings restricted published net earnings.

At home, the banks continue to be faced by a number of problems, real or potential. Next year will see a popular vote on the "Banking Motion" backed by the Social Democratic Party and the unions. This is aimed at combating what its supporters see as abuse of the banking-secrecy rule and an unacceptable domination of the national economy by financial interests.

There is little chance that the motion will be accepted. The 1977 scandal involving Credit Suisse's Chiasso branch, which promoted the referendum, is hardly topical, quite apart from the fact that Left-wing motions tend to be thrown out almost on principle by the electorate. Nevertheless, the mere existence of the motion has already led to a considerable tightening of controls over the banks, while the draft of a revised Banking Act incorporates a number of demands embodied in the text of the Socialists' proposal.

In respect of the new Banking Act, there is particular opposition to a clause which would introduce compulsory insurance of individual deposits of up to SwFr 70,000, with full coverage on the first SwFr 20,000 and partial insurance of the remainder. The Bankers' Association claims that established banks do not need the insurance scheme, that it could give an unfair advantage to the state-guaranteed Cantonal banks and that it might even encourage the operations of fly-by-night banks out for high returns at high risk.

The association is, also, not happy at suggestions that the offences of "negligent breach of banking secrecy" and "unsuccessful incitement to contravene banking secrecy" should be removed from the penal code, seeing them as a further attempt to chip away at this. It is felt that the principle has already been weakened by such moves as the signing of a legal-aid and an anti-insider agreement with the U.S. authorities.

At the same time, there are some qualms at the growing clout of the Swiss Banking Commission, the industry's control authority, which has been looking closely at banks' risk provisions — but has also been considering whether serious offences by a bank employee should not in future lead to sanctions on the bank itself in cases where "due care" was not guaranteed.

Despite these and other misgivings—for example, in connection with stricter reporting procedures and possible hidden-reserve limitations—banks have some reason to be satisfied this year. Not only have virtually all capital market restrictions been lifted by the Swiss National Bank, but more importantly still, Parliament in February voted against proposals to introduce a so-called bank-client tax. Three alternatives, one originating from the government itself, were rejected, two of which would have had a serious effect in particular on foreign use of Swiss banks' fiduciary accounts.

VONTOBEL EUROBONDINDIZES

WEIGHTED AVERAGE YIELDS

PER SEPTEMBER 13 1983

	INDEX Today	Last week	% Year's High	Year's Low
US$ Eurobonds	11.95	12.11	12.54	11.23
DM (Foreign Bond Issues)	7.58	7.58	7.79	7.23
HFL-(Bearer Notes)	8.31	8.32	8 67	7.43
Can$ Eurobonds	13.31	13 33	13.55	12.62

J. Vontobel & Co. Bankers, Zurich - Tel: 010 411 488 7111

UK COMPANY NEWS

Sphere Drake £23.5m deficit

Sphere Drake Insurance, part of Alexander Howden, the insurance broking group owned by Alexander and Alexander Services of the U.S., yesterday revealed it suffered a deficit balance in the profit and loss account of £23.5m for the year ending in December 1982 as a result of allegedly irregular reinsurance deals, and general underwriting trends.

The group said that its financial statements reflect discoveries made by Alexander and Alexander in investigations following their acquisition of the Howden group as they affected Sphere Drake Insurance. "Amongst other things during 1982 it became apparent that certain reinsurance arrangements entered into with Southern International Re Company SA of Panama (a company secretly owned or controlled by four former group directors) were apparently irregular."

"Southern International Re Company SA now appears not to have been registered or licensed to write reinsurance. Accordingly, liabilities that had reinsured by Southern International Re Company SA reverted to the company."

Alexander and Alexander has said that all valid claims will be met. The share capital of Sphere Drake has been increased by 6m "A" ordinary shares of £1 each fully paid. A capital contribution of £21.5m was also made through the Alexander Howden Group.

The group said that an insurance agency payment with the Automobile Association Insurance Services had been "peremptorily cancelled." The group said that, after advice, AAIS had no grounds "whatsoever for such action and that their conduct amounts to a repudiatory breach of contract.

Robert Douglas

FOLLOWING an interim deficit of £96,000 **Robert M. Douglas Holdings** returned to profits in the second half and finished the year with a small pre-tax surplus of £3,000 compared with £1.75m for the previous 12 months.

However after all deductions there was an attributable loss of £1.03m, against a £1.25m, profit for the year ending March 31 1983.

With the loss per share given as 0.00 (profit 0.0p) on a net basis, a reduced final dividend of 1.375p is being paid, and along with the lower interim, cuts the year's payout by half to 1.75p.

Turnover of this civil engineer, builder, and contractor expanded from £109.50m to £134.52m.

Burmah profits little changed

PRE-TAX profits of oil, gas exploration and production group **Burmah Oil** increased slightly from £30.3m to £31.3m for the first half of 1983, on turnover, net of duties, up from £719.8m to £765.2m.

The directors say that although figures for the two halves are similar, the 1982 result was depressed by certain exceptional costs, particularly in relation to the Tabbert caravan business. They add that the underlying trading position has not yet benefited from the upturn in economic activity.

Apart from a traditionally stronger second six months, the group will also benefit from the elimination of certain loss-making activities. Against this, directors state that the group will have a higher investment in exploration in the current year, and overall trading conditions remain difficult.

Earnings per £1 share are shown as 5.42p, compared with 4.58p, and in order to reduce disparity the interim dividend is increased to 3.5p (1.5p) net—last year's final payment was 7.5p.

The interim increase should not be seen as any indication of the level of total distribution in respect to 1983 trading, directors point out.

For the half year profits, before tax, were divisionally split as to: lubricants and fuels £21m (£21.8m); exploration and production £17.6m (£19.5m); specialty chemicals £1.4m (same) retailing and distribution £1.6m loss (£2.3m loss); shipping £2.7m profit (£2.9m); investment £1m (£1.9m loss); Quinton Hazell £1.6m (£2.5m); investment income and unallocated central expenses £0.4m (£2m); net interest charge £12m (£11.6m).

Lubricants and fuels operations generally maintained their overall profit in spite of the loss of an important export contract, which reduced profits by £2m.

The lower operating profit from the exploration and production side was largely attributable to the reduction of the group's interest in gas production in Pakistan.

Difficult trading conditions in South Africa and Australia affected the profits from the specialty chemicals division and Quinton Hazell. However, specialty chemicals benefited from the successful performance of two recent acquisitions, Industrial Adhesives and Sericol.

The improvement in the investment division is mainly due to the elimination of losses in Tabbert, which traded at a small profit following major rationalisation in 1983.

The shipping sector maintained its operating profit. However, tanker freight rates remain depressed, the directors state, and the loss on tanker operations increased by £2.9m, largely because one VLCC had to be laid up on completion of a profitable time charter.

Tax charge for the six months was slightly lower at £22.5m (£32.6m), minority interests took £0.5m (£0.6m) and after extraordinary debits totalling £19.6m (£1.9m) for the period, there were attributable losses of £11.3m, compared with profits of £5.2m.

Some £18.2m of the extraordinary items arose from the cancellation last May of long-term charters for two VLCCs.

See Lex

Jones & Shipman losses mount

LOSSES at high precision machine tool maker **Jones & Shipman** rose further in the first six months of 1983. At the pre-tax level they totalled £643,000, which compares with £497,000 for the opening half of the previous year and £583,000 for the second six months.

The directors say they see no significant improvement in the immediate future and they are passing the interim dividend—last year 0.4p was paid followed by a 0.5p final. Future dividend policy will be determined mainly in the lifht of audited results for the full year and the trading outlook for 1984-85.

It is revealed that the group's break-even point has now been reduced to a level where it requires only a "comparatively modest," yet sustained, improvement in market conditions in order to achieve much better operating results.

First half turnover amounted to £6.21m (£6.98m). At the available level there was a loss of £751,000 (£489,000) after extraordinary debits of £108,000 (£210,000), being redundancy and termination costs, and taking in a tax credit last time of £218,000.

Loss per 25p share more-than-doubled from 2.3p to 5.4p.

The directors say that with limited exceptions, the markets for metal working machine tools remain depressed throughout the world, with UK worse than most.

They add that harsh cost reduction measures taken during the past two years have led to many savings but these have been more than absorbed by the impact of a declining volume of turnover and reduced margins due to the price cutting prevalent in most parts of the world.

● comment

Jones and Shipman is in a sad way. Once a world leader in precision machine tools, mainly grinding machines, J & S was one of those companies that people believed could not fail. But not now. The company has retrenched and retrenched again in the face of collapsing demand. Yet the losses mount and still there is no hint of an upturn that the company so desperately needs. And now the fear must be that J & S has been left behind on new technology. Its basic tool room machines are probably still second to none but the question is whether its new NC machines have come too late and at too high a price to beat the Japanese and German competition. The suspicion, in the City at least, is that J & S is gradually being squeezed out. If anyone with a bit more financial clout wanted to launch a bid the management might have a problem defending themselves. The alternative is probably more and more retrenching until eventually what was once unthinkable becomes possible. The shares closed at 22p 3p below par value.

JSD Computer sees improvement

BY PAUL BETTS IN PARIS

TRADING ACTIVITIES of **JSD Computer Group International** for the first half of 1983 were the highest since the business commenced, but profits were below expectations.

During the six months to June 30 turnover advanced 20.6 per cent to £2.62m, against £2.17m, but the taxable surplus dropped by £112,000 to £103,000.

Directors, however, expect an improvement in profits in the second half.

Most of the increase in turnover stems from U.S. activities which now account for 20 per cent of the group's business.

The interim dividend of this USM company, engaged in provision of contract and permanent computer personnel, is held at 0.6p per 5p share.

The setback in profits has been attributed to substantially higher than predicted costs of establishing an office in Los Angeles, an irrecoverable bad debt of £22,000 in Holland, and a decline in gross margins in the company's contract division.

Despite the approximate cost to date of £60,000 the directors say that the Los Angeles office is now trading profitably.

The company's pricing structure was such that immediate remedial action was not possible, due mainly to the long-term contractural nature of many of the commitments with clients.

However, as the additional costs incurred are non-recurring and with a revised pricing plan underway, the directors expect an improvement in group profits in the second half.

Last year pre-tax profits totalled £392,000 with turnover at £4.64m, and a final 1.5p dividend was paid.

Goldstone loses AGM fight against dismissal

MR MICHAEL GOLDSTONE, who was dismissed last month as managing director of Ward and Goldstone, lost his battle yesterday to remain a non-executive director of the company his grandfather founded 91 years ago.

A poll of shareholders resulted in an eight-to-one vote in favour of removing him as a director of the company. This followed an initial show of hands by shareholders at the company's annual meeting in Manchester yesterday against the board's resolution to remove Mr Goldstone.

He was dismissed as managing director of the cable, wire and electrical accessories group on a policy difference over the future of the loss making cable division which the company is shutting with the loss of 550 jobs at three Salford factories.

The division's closure sparked a range of questions directed at the board yesterday on how the closure would affect other parts of the business.

Mr Goldstone issued a writ earlier this week for wrongful dismissal and sent a letter to shareholders which included a claim that the company accounts relating to the cables division were "misleading" and an appeal to them to oppose his removal.

Mr Goldstone had refused to approve the Manchester company's accounts. These were accepted by the annual meeting yesterday although there were many abstentions.

Carlton given boost by battery section

A RETURN to a better level of trading at **Carlton Industries** has been mainly attributable to the battery division, where continued cost reduction measures in the factories in the UK, France and North America permitted greater efficiency in the first six months of 1983.

With interest charges down from £2.52m to £1.93m, pre-tax profits climbed from £2.11m to £4.64m. Sales of this Bristol based manufacturer of batteries and whisky, which is 72 per cent owned by Hawker Siddeley Group, rose from £56.26m to £57.03m.

Trading profits advanced from £4.63m to £6.57m, with the batteries division improving its contribution from £1.93m to £3.54m. Whisky was down from £2.11m to £2.07m; home improvement products were higher at £211,000 (£75,000) and Comben Group trading profits were up from £950,000 (£729,000). Parent company overheads were £13,000 lower at £190,000.

First half tax was £1.14m (£338,000), and minorities took £462,000 (£324,000). The interim dividend is raised by 1p to 2.5p net — last year's total was 3.5p from pre-tax profits of £5.01m (£8.07m).

The directors say the lead acid battery market remains depressed and there has been virtually no increase in sales. Trading conditions in the Scotch whisky industry continue to be difficult and the profits of Invergordon Distillers (76 per cent owned) will probably be slightly lower than last year.

However, Comben Group (47 per cent owned) has been able to benefit from the better climate for house building

Eagle Star jumps £10.9m and lifts interim payout 1p

INSURANCE GROUP **Eagle Star Holdings** pushed pre-tax profits up from £24m to £34.9m for the six months ended June 30, 1983 and the interim dividend is being stepped up by 1p to 8p net per share.

Underwriting losses for the period were trimmed from £35.8m to £32.2m mainly as a result of the absence of severe winter weather. However, losses were incurred in all major sectors and rates continue to be depressed.

The directors say opportunities for growth in premium income (up by £29.7m to £286m in the opening half, excluding life) are limited and in such circumstances, only a marginal increase was achieved.

They point out that claim costs benefitted to some extent by reduced inflation but that this was more than offset in the employers' liability account by the need to increase provisions for industrial disease claims.

Investment income for the half year rose from £47.9m to £52.2m.

Grovewood Securities improved its contribution by £2m to £8m, which reflected improved results for most companies within the group.

After a £4.9m higher deduction for tax and minorities Eagle Star's net surplus emerged at £19.4m, compared with £13.4m previously.

The increase in investment income was not significantly affected by currency fluctuation. It was achieved despite reduced insurance cash flow during 1982 and the fall in rates of interest.

Overseas, improving trends in Australia continued, reflecting the hardening of market attitudes. In Belgium, results deteriorated due to intense competition which further depressed premium rates.

Profitability in South Africa improved substantially but in the U.S., where the group's insurance operation is comparatively small, the controlled expansion programme caused an added strain on results. In other territories results improved.

In the international sector marine and aviation, reinsurance and home foreign business continued to be unprofitable.

For the six months under review new worldwide life annual premiums totalled £27.7m (£16.9m), of which £21.4m (£11.4m) arose in the UK.

Worldwide new single premiums amounted to £48.6m (£56.9m) with the UK accounting for £43.6m (£51m). The decline was due mainly to the reduced amount of annuity business being placed following a fall in interest rates.

The directors say the main feature of the period was the exceptional increase in new individual life business. Much of this increase, they say, was mortgage-related endowment business which arose from the new Miras system of tax relief on mortgages which led many borrowers to adopt the endowment-based method of mortgage repayment.

Other individual life business and individual pension arrangements for the self-employed and for company executives also showed encouraging progress.

A geographical analysis by territories of underwriting shows: UK and the Republic of Ireland—premium income £202m, underwriting loss £25.7m and investment income £29.4m and respectively, Australia £15.6m, £1m loss and £1.7m; Belgium £14.2m, £3.4m loss and £1.9m; South Africa £34.9m, £1.4m profit and £2.1m; U.S. £10.6m, £2.2m loss and 0.7m; and other territories, after adjusting the overseas unexpired risks provision, £9.7m, £1.9m loss and £1.1m.

The directors point out that the group's result for the six months cannot be taken as providing a reliable indication of those for the full year—pre-tax profits for 1982 totalled £68m and a final dividend of 10p was paid.

See Lex

DIVIDENDS ANNOUNCED

		Current payment	Date of payment	Corre-sponding div.	Total for year	Total last year
Air Call‡	int.	1.85	Nov 4	1.85	—	5.6
AMEC	int.	3.5	Jan 4	2.5	—	6.5
Burmah Oil		3.5§	Dec 30	1.5	—	9
Cakebread Robey	int.	0.8	Jan 6	0.6	—	2.7
Carlton Inds.	int.	2.5	—	1.5	—	3.5
Robert M. Douglas		1.38	Oct 15	2.75	1.75	3.5
Eagle Star	int.	8	Jan 13	7	—	17
Danish Bacon	int.	Nil	—	Nil	—	0.1
Expamet	int.	2	Nov 25	2	—	4.5
F & C Eurotrust		1.55	Oct 20	1.5	1.55	1.5
J. Hewitt & Son	int.	0.6	Nov 2	0.45	—	2.4
Jones & Shipman	int.	Nil	—	0.4	—	0.9
JSD Computer‡	int.	0.6	Oct 20	0.6	—	2.1
Legal & General§	int.	6	Dec 1	4.5	—	15.5
London United	int.	5†	Oct 19	5	—	11
[illegible]	int.	21¶	Nov 22	20	—	50
George H. Scholes		12	—	9.33*	17	13.33*
Staffs. Potteries		0.01	Nov 10	0.01	0.01	0.01
Stag Furniture	int.	1.75	Nov 23	1.75	—	5
Systems Designers	int.	0.8	Nov 17	—	—	1.5
Woolworth	int.	2	Nov 15	—	—	—

Dividends shown pence per share net except where otherwise stated.

* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ USM stock. § Increase to reduce disparity. ¶ U.S. cents throughout.

UK COMPANY NEWS

AMEC tops £10m and lifts interim

FOR THE half year to end-June 1983 civil engineering group AMEC returned profits of £10.3m at the pre-tax level from turnover of £353.8m.

Figures for the comparable period last year, based on a merger with Fairclough Construction effective from January 1 1982, and on an acquisition of William Press effective from end-December of that year, showed profits at £6.7m and turnover at £126.8m.

Earnings for the six months emerged at 7.53p, against 7.37p and the interim dividend is being stepped up by 1p to 3.5p net per 50p share.

The directors say that liquidity and cash resources remain strong and strenuous efforts are being made to maintain a reaesonable work load, including detailed appraisal of new opportunities both in the UK and internationally.

They add that they have "every confidence" in the prospects of the enlarged group.

Rationalisation is being accelerated and overheads rapidly reduced to create a slimmer and more efficient group. Unitisation of assets is being increased and those surplus to group needs are being disposed of.

At the annual meeting in July, Mr O. Davies, chairman, said the group's order book stood at a satisfactory level and that he was confident taxable profits for 1983 would exceed £25m.

The group has formed a new subsidiary, AMEC Properties. One of its principal objectives will be rationalisation of properties owned by the group and ensuring that maximum benefit is obtained from them.

Another subsidiary will rationalise and control all plant and vehicles in a similar way. Benefits are expected to show through in trading results in due course.

First half tax took £5.4m (£3.5m) and minorities accounted for £0.1m (nil).

BOARD MEETINGS

The following companies have notified dates of board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether the dividends are interims or finals and the subdivisions shown below are based mainly on last year's timetable.

TODAY

Interims: Associated British Ports, William Baird, Banro Industries, Barrow Hepburn, Booker McConnell, British Mohair, Brown and Jackson, James Fisher, General Mining Union Corporation, Highcroft Investment Trust, Keep Investment Trust, Liverpool Daily Post and Echo, Lyon and Lyon, McLaughlin and Harvey, Magnolia (Mouldings), Oil and Gas Production, George Oliver (Footwear), Harold Perry, Petrocon, Richards (Leicester), Ryan International, Royal Dutch Petroleum, Sale Tilney, Shell Transport and Trading, George Spencer, Turner and Newall, United Biscuits, W.W., Yule Catto.

Finals: Dowding and Mills, London Shop Property Trust, I. D. and S. Rivlin, Sirdar, Telefusion, Tor Investment Trust, Trafford Park Estates, Tweefontein United Collieries, Westpool Investment Trust.

FUTURE DATES

Interims—

Conder International	Sept 16
East Rand Gold and Uranium	Oct 20
G T. Global Recovery Inv. Tst.	Oct 28
Ibstock Johnsen	Oct 11
Jove Investment Trust	Sept 21
Lorlin Electronics	Sept 22
Lovell (G. F.)	Sept 19
Molins	Oct 3
Rowntree Mackintosh	Sept 22

Finals—

Berry Trust	Nov 3
Home Farm Products	Sept 28
Welkom Gold Mining	Oct 20

● comment

Once hailed as a great dynastic marriage the merger of Fairclough and Press to form AMEC went sour as soon as the bride's veil was lifted. Press was not quite the blushing bride Fairclough might have hoped for and the merger very quickly turned into an acquisition. True the Fairclough men took a hard line from the word go almost wiping out Press's profits last year with provisions. Even so it looks as if imposing its management style and controls on Press is turning into a hard grind. Press had a top heavy organisation and the axe has been weilded with a will. Considerable amounts of surplus assets, including Press's London office, will have to go as will a "substantial" number of employees. It is not quite as bad as it may sound. Underneath Press had some fine businesses and the enlarged group should have little difficulty in making £27m this year. So the fully taxed p/e is only 11 and AMEC will pay nowhere near 52 per cent tax. With all the problems that have emerged since the merger the share price has been understandably weak though at 220p it looks on a reasonably firm footing now.

Legal & General £9.7m ahead in opening six months

FOR the first six months of 1983 pre-tax profits of the Legal & General Group rose by £9.7m to £22.5m, compared with the same half last year, the main factor for the improvement being in short-term business written in the UK.

Mild weather in the early part of this year helped reduce underwriting losses in the UK by £7m to £2.7m during the opening half — total worldwide underwriting losses were down from £15m to £8.3m.

The group is raising its interim dividend by 1.5p to 6p net per 25p share but in their interim report the directors say the rise is to reduce disparity between payments and should not be taken as an indication of the likely final — dividends totalling 15.5p were paid for the 1982 year.

Earnings for the first six months emerged at 12.75p (9.33p) per share after tax of £3.2m, compared with a previous credit of £1.2m.

In long-term insurance business, premium income worldwide totalled £369.8m (£298.1m). This was made up as to: UK—pensions £142.5m (£149m) and ordinary life £167.4m (£92.9m), and international—Australia £18.2m (same), U.S. £10.9m (£8.2m), Victory £21.4m (£20.4m) and other £9.4m (same).

Worldwide short-term insurance business totalled £96.1m (£90.1m). This comprised premium income — UK £60m (£55.6m) and international Victory £30.6m (£27.9m) and other £5.5m (£6.6m).

The insurance result before tax (short-term business results taking into account an estimate of investment income earned on technical reserves) showed a worldwide profit of £2m, compared with a £5.4m loss for the first half of 1982. The UK side swung from losses of £4.1m to profits of £3.4m; the international side incurred losses of £1.4m (£1.3m).

The interim report reveals that estimated profits from life and pensions business worldwide continued to grow. Increased profits from Banner Life, the U.S. subsidiary, partly reflected a strengthening of the U.S. dollar against the pound.

The considerable effect of the introduction of Miras, together with increased activity in the house purchase market, produced "exceptionally good" half year figures, especially for the conventional with-profits ordinary life business.

Competition in the pensions market remained intense and the annual premium figures also show the effect which lower pay settlements had on premiums coming from pay increases.

Volume of annual premiums from companies investing with Legal & General for the first time and improvements in existing schemes was maintained at £5.9m (£5.8m).

As expected in current conditions in the pensions market the contribution from the group's managed fund operation fell in the first half.

In Australia, long-term premium income was maintained at the same level as that achieved in the first half of 1982, although growth in new premium income was affected by economic conditions

At victory, growth in short-term business premium income was contained at around 10 per cent compared with the first half of 1982, and figures for the full year are expected to show similar growth.

● comment

The life sector had been in the doldrums since the Pru's figures last week, but Legal & General's interim profits improvement helped its shares add 12p to 484p, and the sector was dragged up in sympathy. The single factor which brought most cheer was the reduction in UK pre-tax underwriting losses from £9.7m to £2.7m. Better weather apart, L & G had taken a very hard look at its motor book, turning away a lot of city based business. However, Victory managed only a marginal reduction in underwriting losses, and it is hard to foresee any easing in the cut-throat conditions in the reinsurance market. The 80 per cent increase in ordinary life premium income has much to do with the introduction of MIRAS, but even without that rather exceptional factor, a boost was already in the pipeline from the absolute increase in the house buying market. Legal & General point out that the hike in the interim is partly a balancing exercise, and a total payout of 18p seems most likely, indicating a yield of 5½ per cent.

Deficit at Danish Bacon reaches £4.7m halfway

LOSSES continued at the Danish Bacon Company for the 32 weeks to August 13 1983 with a pre-tax deficit of £671,000 being shown, against previous profits of £215,000. The directors say it is unlikely that the company will return to profitability this year—in the last full year losses amounted to £957,000.

There is again no interim dividend the last payment was a final of 0.1p in 1982. The loss per share for the 32 weeks was given as 16p (earnings 5p) before extraordinary items.

Recovery in the bacon market indicated in the chairman's report earlier this year did not take place until August, and then only to a limited degree.

As a result, the overall increase in sales required for a return to profit has not been achieved—sales for the 32 weeks slipped from £123.41m to £114.8m. Extensive efforts are on the way to reduce operating costs at least to a level commensurate with current trading margins and sales.

The company is actively planning for recovery in 1984, but the task is made more difficult because of the uncertainty regarding the supply of Danish bacon next year.

Trade in Danish bacon has always been a large part of turnover and profits. The company has received one year's termination of the agency system with effect from January 1 1984. Subsequently, the company has been advised of the decision by five of Denmark's 16 factories to sell direct to the British market rather than through Ess-Food.

Negotiations are under way to obtain agreement for 1984 as to the quantity of bacon available, marketing support, pricing policy and new terms and conditions.

After an extraordinary profit of £125,000, from property sales, against previous losses of £869,000, attributable losses emerged down from £654,000 to £546,000.

Systems Designers £0.6m and confident for future

GROWTH ACHIEVED over the past five years has continued at Systems Designers International, computer consultants, with an advance in interim pre-tax profits to £648,000 against £451,000.

The directors remain confident for the future and say there is continued strong demand for all services and further expansion.

In 1976 the company made pre-tax profits of £221,000 on turnover of £2.53m and in 1982 profits as forecast in the November 1982 prospectus passed the £1m mark with turnover at £9.45m, and as foreseen a 1.5p final dividend was paid.

An interim dividend of 0.8p per 10p share is being paid for the six months to June 30, 1983.

Turnover for the period was £6.44m against £4.32m. Earnings per share are given as 4.9p (3.5p) with tax at £337,000 (£254,000).

First half orders, say the directors, amounted to £8.4m which included £1.1m of hardware for turnkey projects as well as consultancy, software development services and software products.

The company's traditional government and defence systems work has continued to expand, with new contracts in all areas, of particular importance to the consultancy division were the contracts concerned with satellite image processing, they add.

They say the industry and commerce operating group has expanded its involvement both in high realiability communications systems for the financial sector, and in the telecommunications market, where the company is further assisting the German PII in the development of its public viewdata system.

However, the industrial market has remained quiet, although the company's continuing work in the energy sector should provide a good basis for further growth as the economy improves, they say.

The software technology operating group made important progress, including involvement in the Ada Group Consortium which announced a £9m contract from British Telecom.

The company's new software engineering product perspective, was launched in the UK in June, obtaining a promising market reaction as well as immediate orders. And with a U.S. launch planned within six months, Perspective should boost future software product revenues as well as helping penetration of the U.S. market with other services.

Sysdec Inc, the U.S. subsidiary, is well established and expanding in the U.S. videotex market — remains an important element of future growth strategy, they say.

Mr P. E. Swinstead, chairman, states that the company continues to invest in appropriate research and development projects in order to maintain its leadership position in advanced software technology, particularly in the areas of software engineering and knowledge-based systems. This technology has been identified in the government's Alvey report as "vital" to a future UK position in computing. The company will continue to participate in this and in the EEC funded Esprit programmes.

Expamet improves despite losses of new subsidiary

IMPROVED pre-tax profits are reported by Expamet International, formerly the Expanded Metal Company, for the first half of 1983. The figures were up from £930,000, and turnover rose from £13.87m to £15.91m.

The interim dividend is unchanged at 2p net—last year's total was 4.5p from pre-tax profits of £2.19m (£1.18m). Tax was higher at £497,000 compared with £372,000, and stated earnings per 25p share improved from 2.55p to 3.41p.

The directors say the satisfactory first half results were achieved in spite of larger than anticipated start-up losses in Industrial Building Components, which manufactures partitioning systems, doors and cubicles. The learning curve associated with a brand new production line was more onerous than expected, and resulted in losses of over £200,000 for the six months.

They say that IBC is approaching a break-even level and the company anticipates progressing into modest profits over the coming months, which will be further enhanced by the shipments of clasp partitions to the Algerian contract. The first of these is due before the end of 1983, although the bulk will not be despatched until 1984.

Expamet is continuing to re-organise and rationalise certain of the traditional areas and further strengthen sales and marketing resources. They are also maintaining development of new products, and applications and search for new profitable opportunities.

The group anticipates further progress in the current half year.

London United increases to £2.12m in first half

An increase of 9.45 per cent in pre-tax profits from £1.94m to £2.12m has been shown by London United Investments for the first half of 1983. The net interim dividend has been held at 5p on capital increased by rights—in the last full year a final of 6p was also paid.

Turnover of this insurance holding company expanded from £8.09m to £9.88m.

The proceeds of the rights issue—which was more than 93.6 per cent taken up—were not received until just before the end of the half year and had no effect on the half year results.

The proceeds of the issue were used to apply for 4.9m shares in the subsidiary Walbrook Insurance. The issued capital of Walbrook now stands at £12.5m, which makes a total net asset value of about £16m, well in excess of U.S. $20m capitalisation requirements.

The increased capitalisation of Walbrook will help the group keep its current U.S. business and will allow Walbrook to expand internationally.

The cost of issuing the shares amounted to £49,000 which has been treated as an extraordinary debit.

At the operating level profits grew from £2.14m to £2.35m. Group overheads took £347,000 (£316,000). Associates contributed £114,000 (same).

Tax amounted to £1.12m (£943,000) and after extraordinary debits, available profits emerged slightly down from £992,000 to £947,000. Dividends will absorb £588,000 (£441,000).

York Waterworks tender

Seymour Pierce is offering for sale by tender £2m 6.75 per cent York Waterworks redeemable preference stock 1988 at a minimum price of par. At this price the stock yields, together with the associated tax credit, £9.64 per cent.

A deposit of £10 per £100 nominal of stock must accompany each tender, the balance to be paid by September 30. Applications should be received by 11 am September 21.

● This York Waterworks preference stock is the first such offering from Seymour Pierce since May. The rainy weather must have something to do with it. The stock looks at a full gross redemption yield of 14.06 per cent. The equivalent returns on the nearest gilts are 10.25 per cent and 11.53 per cent, so a premium of at least one point at the striking price seems most likely.

LRC progress

Mr Donald Seymour, chairman of LRC International, told the annual meeting that first quarter results were showing an improvement on last year

UK COMPANY NEWS

Woolworth cuts loss to £1.7m and pays 2p interim

FOR THE six months ended July 30 1983 **Woolworth Holdings**, stores group, has cuts its losses from £18.37m to £1.76m at the pre-tax level and to 3p per 50p share, against 27p. Turnover amounted to £541.61m, excluding VAT, a rise of £73.21m, and a 2p interim is being paid.

Figures for the first half include results of recently-acquired F. W. Woolworth, while comparatives have been restated on a pro-forma basis as if this company had been owned throughout 1982-83.

Dividend, this time, equally between F. W. Woolworth and the d-i-y chain, B & Q Retail, trading profits expanded from £2.2m to £12.01m. B & Q continued to forge ahead with turnover up by 50 per cent and retail profits more than doubled the directors state.

They explain that managers, at all levels, are fully involved in establishing solutions to a series of specific problems and assessing opportunities. The company is, however, unlikely to start implementing many of these in time to affect materially the second half's trading.

They add that the surge in general consumer spending in 1982, which particularly benefitted the Woolworth chain in the fourth quarter last year, cannot be assumed for the second half of the current year.

The pre-tax figure for the first six months included much higher property disposal profits of £4.56m (£312,000), but was after interest charges of £18.33m (£20.89m). There was again no tax.

Prices in the Woolworth chain have been realigned to provide a more competitive stance, which together with the consumer boom, has helped to lift turnover by nine per cent.

Net trading margins have improved and the retail loss in the chain last year has been turned into a small profit.

See Lex

Oriflame shows slight downturn

FIRST HALF results at **Oriflame International SA** are in line with its expectations. In terms of sales, its underlying growth was 16 per cent over the comparable period last year, although this has been masked once again by the strengthening U.S. dollar against other currencies in which it trades, says the Swedish chairman, Mr Jonas of Jochnick.

Taxable profits of this Luxembourg-based international group of direct sales companies which produce and market their own brand of cosmetics, were down slightly from U.S.$3.6m to U.S.3.56m in the six months to June 30 1983. Sales, excluding turnover taxes, totalled $18.53m compared with $18.7m.

The group's first-half performance has again been boosted by its Scandinavian markets. of last year and has increased Lagonda, the Swedish mail order business, maintained the improvement seen towards the end its contribution to group profits. It is now in the process of establishing Lagonda operations in Norway and Finland.

First half tax took $302,000 ($452,000), leaving net profits up from $3.15m to $3.25m, and earnings per $1.50 share are given as $0.61 ($0.63). An interim dividend of $0.21 ($0.20) is being paid. To the UK investor, this represents an increase of 17.2 per cent over 1982 at the half year exchange rates, Mr Jochnick says.

Some 16.25 per cent of the group's shares are traded on the London Stock Exchange.

Second half uplift by George Scholes

Following a second half uplift in pre-tax profits from £1.84m to £2.46m, the taxable surplus at **George H. Scholes** for the year to June 30 1983, showed a marked increase from £3.11m to £4.63m. The net final interim has been effectively lifted from 9.333p to 12p, which raises the total from an adjusted 13.333p to 17p.

Turnover of this electrical engineer and maker of "Wylex" electrical products, expanded sharply from £18.54m to £22.76m.

Tax amounted to £2.13m (£1.45m)

Television Services on target for full year

PRE-TAX profits of USM concern **Television Services International** amounted to £153,000 for the first half of 1983, on a turnover of £1.08m, including results of Platypus Holdings for eight months.

Comparatives, which are those of the Platypus Group for the 12 months ended October 31 1982, are £119,000 and £1.24m respectively.

The directors are confident the company will, for the full year, "comfortably obtain the level of profits"—not less than £300,000—as set out in last January's circular. As stated then, there will be no interim dividend, but the directors intend to recommend a final payment.

Tax figure for the six months was £78,000 (£48,000 for 12 months) and there was an extraordinary debit for the period of £120,000, being flotation costs. Before these items earnings per share are shown as 0.34p (0.32p), but after the same they are given as 0.2p losses (0.32p).

Television Services has acquired Adrian Munsey Productions, trading as Odyssey Video and Imagination Video, for £250,000.

Stag over £1m mark as trading improves

IMPROVED trading conditions and increased efficiency contributed to higher pre-tax profits at **Stag Furniture Holdings**. In the 26 weeks to July 1 1983, pre-tax profits almost doubled *from £553,000 to £1.04m.*

Sales of this Nottingham-based furniture manufacturer improved from £15.3m to £18.96m. The interim dividend is unchanged at 1.75p net—last year's total was 5p from pre-tax profits of £1.02m.

The directors say both sales and profit figures included a full half-year's contribution from Jaysee Furniture (Brighton)—acquired in April 1982—compared with only 12 weeks in the first half of 1982.

They hope that the improvement shown in the first half can be maintained in the second half, but at present the autumn order intake has proved to be rather "disappointing."

First half tax was considerably higher at £470,000 compared with £186,000, and stated earnings per 25p share rose from 3.1p to 5.6p.

Panavia Air Cargo

A receiver was appointed to Panavia Air Cargo on September 9 1983. Panavia Air Cargo traded as British Air Ferries until March 1983 when it sold its name. UK operations and the relevant assets to a company which is today carrying on the business under the name of British Air Ferries. The receivership of Panavia does not affect the UK operations of the present British Air Ferries.

The receiver, Mr Adamson of Arthur Young McClelland Moores and Co, is seeking to clarify the position of various aircraft owned or leased by Panavia and also its other assets which were not included in the above sale.

Yearlings total £14m

Yearling bonds totalling £13.5m at 10¼ per cent have been issued this week by the following local authorities.

Manchester (City of) £2.5m: Daventry District Council £0.5m: Kirklees Metropolitan Borough Council £2.0m: North East Derbyshire DC £0.5m: Llanelli (Borough of) £0.25m: East Staffordshire DC £0.5m: Lancaster City Council £0.5m: Torfean BC £0.5m: Beverly BC £0.5m: Thames Valley Police Authority £1.25m: Northavon DC £0.25m: Slough (Borough of) £0.5m: Tonbridge and Malling DC £0.25m: West Wiltshire DC £0.5m: Bournemouth (Borough of) £1.0m: Cambridge City Council £1.0m: Eastbourne BC £0.25m: Hartlepool BC £0.5m: Newbury DC £0.25m.

First Talisman

The recent rights issue by **First Talisman Investments** was taken up by shareholders as to 94.83 per cent. The remaining 5.17 per cent was left with sub-underwriters.

Nesco acceptance

The Nesco rights issue has met with an acceptance rate of 82.75 per cent. Nesco succeeded in selling the remaining shares in the market, enabling a distribution to be made to those shareholders not taking up their full entitlement. As a result underwriters will not be required to take up any of their commitment.

Cakebread Robey

Builder and timber merchant **Cakebread Robey and Co** advanced pre-tax profits from £354,000 to £278,000 in the first half of 1983, on higher turnover of £9.14m (£6.97m).

With earnings per 10p share given as 2.8p (2.2p) the interim dividend is being lifted from 0.6p to 0.8p net. For 1982 a total of 2.7p was paid from pre-tax profits of £618,981.

The directors say the raised dividend does not imply an increase in the full year distribution.

Tax took £187,000 (£145,000) leaving net profits of £167,000 (£133,000).

Staffs Potteries back in profit

TIGHT COST control and a 9 per cent advance in sales, from £16.9m to £18.41m, has led to profits, before tax, of £117,000 for **Staffordshire Potteries (Holdings)** in the year ended June 30 1983, compared with losses of £980,000 last time.

At half-way there were losses of £172,000 (£294,000).

Mr Bill Bowers, chairman, says he is encouraged by the sales increase achieved in the first two months of the current year in the home market, and by the continuation of the growth in exports. But he adds that he must remain cautious in view of the uncertainties in the world economy, particularly of continuing high interest rates.

There is a loss of per 25p share given as 2p (19.9p), but the dividend is again a nominal 0.01p. *Although substantial progress was made in the reduction of borrowings—down by £1.3m, with stocks and working capital reduced by £1.2m—the chairman says that this "remains the priority in our cash planning."*

Combining marketing successes with a disciplined approach to costs resulted in substantial improvements in profits from both the hollow-ware and dinnerware units of the Meir Park division.

"The improvement in demand for our products is enabling returns to be reaped on earlier capital investment and the optimisation of productivity gains," says Mr Bowers.

Although margins have been under pressure, the Royal Winton division, which supplies the gift and home wares market, made a "healthy contribution" to profits. The chairman says that innovation and the identification of new product opportunities will be the key to the continued success of this sector.

He adds that during the current year, Royal Winton will further expand its product development and design resources and will continue to benefit from the increasing use of the Meir Park facilities.

Sales to Western Europe increased by 38 per cent during the year with product acceptability being enhanced by more favourable exchange rates. The group is actively pursuing further penetration of these markets.

In the U.S. there are some signs that demand is improving, and having reduced stocks substantially, "we are well-placed to gain sales as this trend continues."

In Canada, however, demand remains depressed, although with big stock reductions operating costs were halved, the chairman states.

There were operating profits for the 12 months of £816,000, against £112,000 losses, but the pre-tax figure was after interest charges of £699,000 (£868,000).

Tax was £67,000 (£43,000) and after dividends £161,000 (£102,000) — virtually all preference payments of £160,000 (£101,000) — there was a loss of £111,000. Last year this amounted to £1.49m which also included extraordinary debits of £370,000.

Significant advance by Air Call in first half

AN INCREASE in turnover and a significant advance in profits was achieved by USM company **Air Call** in the six months to *June 30 1983.*

With turnover up at £8.57m, against £7.37m, the taxable surplus moved ahead to £638,000 from £353,000. The interim dividend is unchanged at 1.85p net.

During the period there were some important and potentially far reaching developments for this company engaged in telephone answering, paging, car telephone and medical deputising services. In May the Department of Industry issued a Radio Common Carriers licence to Air Call and Mr J. O. Stanley, chairman, says that the 12 year licence *should enable the group to substantially expand its range and quality of services.*

Also in May the company acquired 75 per cent of Teledata, which provides advertising and media response services, and is, says Mr Stanley, a natural extension of the group's existing telephone answering business.

The group is continuing to examine new areas for expansion either by acquisition or investment, or by the provision of services on a joint venture basis, he says.

Expansion has continued in the second half with the setting up of a joint company with Combined Network, a major telecommunications company in the U.S., to develop a network of communications centres throughout the U.S. Air Call will hold 20 per cent of the equity of the new company.

The chairman feels confident that developments of this type will benefit the future, and coupled with new opportunities emerging in the world communications market, should ensure continued growth prospects.

Earnings for the first half rose from 4.96p to 7.99p after tax of £327,000 against £162,000, and minorities this time of £3,000. For the year to December 31 1982—pre-tax profits were £1.02m from turnover of £15.18m, and a final 3.75p dividend was paid.

Myson rises above £1m at six months' stage

FOR THE first half of 1983 the **Myson Group** pushed its pre-tax profits up from £823,000 to £1.02m. The figures were struck after deducting interest charges of £732,000, against £1.15m, and higher redundancy costs of £197,000, compared with £54,000.

Demand for building-related products continues to be erratic. After a relatively buoyant market in the first quarter in many product areas there was a significant downturn for the same products in April and May.

First half turnover remained static at £25.68m (£25.49m) and trading profits came through at £1.95m (£2.02m) — the group manufactures heating and ventilating equipment.

Interest charges benefited very little from the recent £4.1m rights issue, working capital levels were reduced and borrowings, excluding net proceeds of the rights, were reduced by a further £1.7m.

There is again no interim dividend — the last payment was 1p in 1980.

Cambrian rights allotments

AS A result of the Cambrian and General Securities' rights issue, a group of institutional investors, who acted as sub-underwriters because of their wish to invest in the ordinary shares of the company, will be allotted 11,735,563 new ordinary shares in Cambrian.

The remaining 24 per cent of the new ordinary shares which were offered by way of rights have been subscribed by existing holders or their renouncees.

The new capital shares not taken up as rights will now be allotted to the Ivan F. Boesky Corporation. Following the rights issue the total holdings of Mr Boesky and his family, including the Ivan F. Boesky Corp., amount to 4.8 per cent of the ordinary, and 72.8 per cent of the capital shares

MINING NEWS

Zambian copper group returns to profit

BY GEORGE MILLING-STANLEY

A STRICT programme of cost control, currency movements and higher metal prices have combined to return the state-controlled **Zambia Consolidated Copper Mines (ZCCM)** to profit in the first quarter of the current financial year.

The net profit for the three months to June 30 was kwacha 11.5m (£5.9m). This compares with a loss of K7.4m in the final quarter of the year to March 31 and a full-year deficit of K128m.

The profit for the latest period was struck after mineral export tax and an equity levy totalling K11.7m.

ZCCM attributed the turnround to the success of the cost-cutting programme introduced early last year, the devaluation of the kwacha in January this year, the improvement in metal prices and increased sales of lead and zinc.

The movements in metal prices and currencies led, for example, to a 46 per cent jump in the group's average realised price for copper beween the first quarter of the last financial year and the latest period.

ZCCM is still cutting production of most metals, but improved demand is helping the group to reduce its high stocks of copper, lead and zinc.

No such healthy trend has yet become apparent in cobalt, however. Output jumped from the fourth quarter's 535 tonnes to 786 tonnes, but sales totalled only 389 tonnes.

Thus the group's success in cutting down stocks last year, even in the face of depressed demand, has been reversed in the opening three months of the current financial year.

The group is still bedevilled by transport problems. Difficulties on the Tazara railway have severely affected the level of deliveries, resulting in a big increase in stocks in transit.

The improved performance will be some consolation to ZCCM's long-suffering shareholders, who are still waiting for the promised benefits of last year's merger between the former **Roan Consolidated Mines** and **Nchanga Consolidated Copper Mines** to appear.

Holders include the **Anglo American/De Beers** group's **Zambia Copper Investments**, with 27.3 per cent.

As before, ZCCM has not declared a dividend for the quarter.

Further drilling at Hemlo

DRILLING is to start at once on the Hemlo gold prospect of **Interlake Development Corporation**, according to Mr Murray Pezim, chairman. This is likely to be one of the most closely-watched tests in the burgeoning gold camp in north-western Ontario.

Interlake's principal exploration target is the ore horizon in which the deposits identified by **Goliath Gold Mines and Golden Sceptre Resources**, and by **International Corona Resources**, are located, reports **John Soganich in Toronto.**

Two deep drill holes are to be drilled simultaneously. The first will test for an extension to the north-west of the Golden Giant deposit, which is being developed by **Noranda Mines** on ground owned by Goliath and Golden Sceptre. The projected depth of this hole is about 8,000 feet.

The second hole, to be drilled to about 6,000 ft, will test for a downdip extension of the north zone of gold mineralisation on the Golden Sceptre property.

Interlake's property is under option to Noranda and **Teck Corporation**, the other big group with a substantial interest in the Hemlo area.

Meanwhile, shareholders of International Corona will soon be invited to vote on a proposed two-for-one stock split.

Mr Pezim, who is also chairman of this company, said that this would put Corona in a strong position to achieve further growth as the gold discovery at Hemlo is brought into production.

He added that the company's policy will be to distribute at least half of the annual net profits obtained from precious metal production at Hemlo, or anywhere else.

Corona is involved in a joint venture at Hemlo with Teck, on ground containing drill indicated reserves of almost 5m tonnes at a grade of 0.35 ounces of gold per tonne, plus a further 1.9m tonnes at 0.324 ounces.

Mr Pezim said production from the joint venture is likely to begin by the end of 1984, with Corona receiving income by the end of the following year.

International round-up

THE improved performance of **Rustenburg Platinum** of South Africa in the 10 months to June 30 has boosted confidence at **Lydenburg Platinum**, whose main asset is a stake of 8.4 per cent in Rustenburg.

Lydenburg is now expecting income of R5.8m (£3.5m) in the year to October 31, up from R4.53m last time. This would give earnings of 40.3 cents a share, against 31.4 cents, and the company has declared a final dividend of 28 cents.

The total for the year is 40 cents, compared with 31 cents

* * *

Courageous Lake in Canada's Northwest Territories seems to be turning into the latest aera of the country which is witnessing a gold staking rush. **Giant Yellowknife Mines** is already established in the region, and is bringing the small but high-grade Salmita mine into production.

The recent interest is believed to follow reports of a discovery by **Noranda**, but otherwise, as with the Hemlo area, it is mainly the smaller exploration companies which are getting involved.

* * *

Nippon Mining plans to maintain copper production at the reduced level of 23,000 tonnes a month during the second half of this year. Mr Kinsuke Chiba, managing director, said, however, that continued stagnation in both domestic and export demand could force the company to cut output further to around 21,000 tonnes.

Nippon Mining is Japan's biggest copper smelter.

BIDS AND DEALS

Maxwell increases holding in Waddington

Mr Robert Maxwell, chairman of Pergamon Press and the British Printing and Communications Corporation (BPCC), indicated a continuing interest in **John Waddington** yesterday by picking up a further 310,000 shares at a cost of around £750,000. This pushes Mr Maxwell's stake in Waddington to 19.9 per cent against 14.9 per cent.

Mr Maxwell's BPCC failed last week in its £18m bid for the Leeds-based packaging and games group.

Under the rules of the Takeover Panel Mr Maxwell cannot make a full bid for Waddington again until September 1984. However, he is allowed to purchase up to 29.9 per cent of Waddington's shares.

Commenting on today's share deal Mr Maxwell said: "We were offered this parcel of shares so we bought them."

Yesterday, Waddington's shares jumped 8p to 258p. In its final bid attempt BPCC made a cash offer worth 249.6p per share and an alternative share offer worth 278.2p per share.

Centreway sells Edward Jones stake

Gateway Industries, the investment holding company, has sold its 25 per cent stake in the **Edward Jones Group** to Dr Richard Petty, Mr Nicholas Morris and associated parties for about £250,000.

As a result Dr Petty and Mr Morris have joined the board of Edward Jones, the Birmingham-based building contractor, as chairman and managing director. Mr R. C. Storey is to remain as a director.

The board said yesterday that the company would be seeking to expand the property development and building interests with a view to establishing a sounder asset base and to decrease reliance on the contracting division as the source of profits.

Edward Jones shares yesterday closed 4p up at 32p.

CROWN HOUSE

Crown House has sold the share capital of its subsidiary Best and May (BM) to **Standard Telephones and Cables** for £502,000 cash.

In addition, a ll outstanding indebtedness of BM to Crown House, amounting to £4.55m, has been repaid by BM.

In the year to March 31 1983 BM made an operating profit of £189,000 on turnover of £21.1m.

Following the sale of BM, the Crown House group will no longer be engaged in electrical wholesaling.

Crown will use the proceeds of the sale to expand group liquid resources.

FBC HOLDINGS

The sale of **FBC Holdings**, the agrochemicals venture jointly owned by Fisons and The Boots Company, was completed on September 14.

Finalisation of the sale of FBC Holdings to Schering AG has been achieved more rapidly than originally expected. When details of the sale were announced on July 18 it was anticipated that completion would occur by the end of September.

The Group has received £60m from this sale, which eliminates net borrowings.

RANK DUBLIN SALES

Rank Organisation is to sell as going concerns its three cinemas in Dublin—the Odeon, Savoy and Metropole — to the **Ward and Anderson Group**, which operates Dublin's Ambassador, Regent and Green cinemas.

Rank is selling the cinemas because they are outside the mainstream of its cinema business in the UK. The acquisition will complement Ward and Anderson's existing cinemas in Dublin.

BELL ELECTRONICS

Bell Electronics, which is negotiating the sale of its offshore operating subsidiaries at Great Yarmouth and Aberdeen to Ferranti, has also started talks with **DB Instrumentation** with a view to a merger of its electronics operation based at Bracknell.

Results in brief

IMRY PROPERTY HOLDINGS (property investor)—For year to March 31 1983: Final dividend 2.9p making 4.3p (3.6p): gross rental income £4.13m (£3.29m): Rents payable and property outgoings £697,000 (£601,000): associates £180,000 (£149,000): other income £106,000 (£130,000): depreciation and amortisation £5,000 (£7,000): administration costs £331,000 (£267,000): finance costs £1.49m (£1.12m): pretax profits £1.89m (£1.57m): tax £964,000 (£330,000): extraordinary credit £50,000 (debit £2,000): stated earnings per share 6.71p (5.37p).

CELTIC HAVEN (engineer and steel fabricator)—Pre-tax profit £117,000 (£403,000) for the year to March 31, 1983. Turnover £598,000 (£2.5m). Tax credit £57,000 (£100,000 charge). Earnings per 5p share 3.5p (6.1p). Final dividend 0.5p, making 0.75p (same). Directors confident that group will show "useful profit" in current year and at least maintain rate of dividends.

ARTHUR WOOD AND SON (LONGPORT) (earthenware manufacturer)—For first half of 1983 group sales £7.6m (£1.14m); pretax profits £161,600 (losses £51,380) — tax £80,000 (nil). Directors say group's three manufacturing companies trading profitably and have substantial order books. Group should continue for the next six months with similar results as first half, they add.

LADBROKE INDEX
698-703 (+2)
based on FT Index
Tel: 01-493 5261

Hawkins & Tipson trading upturn

BY RAY MAUGHAN

THE TRADING performance of **Hawkins & Tipson**, marine rope and cordage group, has improved by £850,000 over the last 12 months and the directors will be recommending a 1.5p dividend for the year to August 31 1983 against 1p.

The 35p per share offer for the company by Evered, a Midlands engineering group which is headed by Mr Raschid Abdullah, has been pitched at what the Hawkins board describes as a "bargain basement price."

Outlining the reasons why Hawkins' shareholders should reject the £3m cash bid, Hawkins chairman, Mr Alan Barrett, says that "your company, like Evered and so many others in British industry, has just come through three painful years of reconstruction and the rewards can already be seen."

Last year's operating loss was converted to a profit of £93,000 in the first half of this year and in the second half he estimates this to have increased to not less than £232,000, making a total operating profit of not less than £325,000 for the year just ended.

It is estimated that turnover in the year just ended reached £12.7m against £17.02m in the previous 12 months and interest payable amounted to £256,000 leaving pre-tax profits at £69,000 before closure and disposal costs of £87,000, net of tax.

After a substantial payroll cut, Hawkins says that "sales per employee have increased by more than 90 per cent and overheads today are lower than four years ago in spite of punishing inflation."

Further regrouping and streamlining of rope and cordage production at Hailsham in East Sussex will give lower costs in 1984. Seventeen acres of land near the centre of the town have been released and offers in excess of £500,000 have been received for five acres.

Cash conservation and disposal proceeds have combined to cut debts of £4m taken on in 1979 to £700,000. "With greatly reduced interest to pay," Mr Barrett says, "future profits will be largely for the benefit of shareholders."

SHARE STAKES

Whatlings—Epicure Holdings, with a subsidiary, is interested in 625,000 ordinary (5.6 per cent).

Rowland Gaunt — Queensway Securities has sold 50,000 ordinary, reducing its holding to 28,435 shares (9.47 per cent of issued share capital).

Walker and Staff Holdings has acquired 112,416 of its own ordinary shares, representing 4.99 per cent of the issued ordinary capital.

Lep Group — Border and Southern Stockholders Trust has purchased 145,470 shares, increasing its holding to 700,000 shares (9.98 per cent). Lake View Investment Trust has sold 212,577 shares, reducing its holding to 150,000 shares (2.14 per cent). Stockholders Investment Trust and its subsidiary General Stockholders Investment Trust have purchased 450 shares and 685 shares respectively, increasing their holdings to 475,000 and 70,000 shares (7.77 per cent).

Dreamland Electrical—Throgmorton Trust interest in 1,485,000 ordinary has been reduced to nil. Pentland Investment Trust has acquired an interest in 1,485,000 ordinary (6.9 per cent).

Yorkshire and Lancashire Investment Trust—By virtue of participating in the sub-underwriting of Y and L's recent acquisition of the Young Companies Investment Trust, Drayton Consolidated Trust has become interested in 1,798,948 ordinary, representing 7.03 per cent of the increased ordinary share capital.

Noble and Land—Selectiv Investments now owns 320,000 ordinary, representing 5.6 per cent of the share capital.

BSR Intl — The Morgan Guarantee Trust of New York interest in the company has now fallen below 5 per cent and stands at 7,562,056 ordinary shares.

Tilbury Group — Suter holds 1,050,000 ordinary after taking into account the recent bonus issue.

H. P. Bulmer—J. E. Bulmer, director, on September 12, sold 50,000 ordinary at 314½p per share.

Personal Assets Trust — Two trusts of which J. G. S. Gammell, director, is a trustee have purchased 50,000 and 3,150 shares at 34p and 33p respectively.

Sheraton Securities Int — As at September 13 Mr Clarke, a director of the company and persons acting in association with him, now own a total of 15.69m ordinary shares (25.6 per cent). Included in this total are the interests of Clabir International NV amounting to 10,572,500 shares and the interests of Greenwich International amounting to 2m shares.

ASSOCIATES DEAL

S. G. Warburg & Co., as an associate of **Royal Worcester**, bought on behalf of a discretionary investment client 1,000 ordinary 25p shares of Royal Worcester at 290p on September 13.

James Finlay agrees bid for Baraoora Tea

James Finlay, the Glasgow based industrial holding company with interests in financial services, international trade and a controlling stake in Seaforth Maritime, has agreed a £2.2m equity bid for **Baraoora Tea Holdings**, the plantations group for which Finlay already acts as banker, secretary and agent.

Finlay already holds 29.3 per cent of Baraoora and announced yesterday that its terms of eight Finlay shares for every five shares in the tea company had been irrevocably accepted by holders of 41.5 per cent of the equity.

Taking Finlay at 130p, up 1p yesterday, the offer values each Baraoora share at 208p against a market price of 200p, up 50p.

Public Works Loan Board rates

Effective September 14

Years	Quota loans repaid by EIP†	Quota loans repaid A‡	Quota loans repaid at maturity§	Non-quota loans A* repaid by EIP†	Non-quota loans A* repaid A‡	Non-quota loans A* repaid at maturity§
Up to 3	10¾	10½	11⅛	12	12¼	12¼
Over 3, up to 4	10¾	10⅞	11⅜	12	12⅜	12¼
Over 4, up to 5	11	11⅛	11⅝	12	12¼	12¼
Over 5, up to 6	11¼	11¼	11⅝	12⅛	12¼	12
Over 6, up to 7	11⅜	11⅜	11⅝	12⅛	12¼	12
Over 7, up to 8	11⅜	11⅛	11⅝	12⅛	12¼	12
Over 8, up to 9	11½	11⅝	11⅜	12⅛	12¼	12
Over 9, up to 10	11⅝	11¼	11⅛	12¼	12¼	12
Over 10, up to 15	11⅝	11⅛	11	12¼	12	11⅛
Over 15, up to 25	11½	10⅞	10¾	11¾	11⅞	11¼
Over 25	10⅞	10¾	10⅝	11⅝	11⅝	11⅛

* Non-quota loans B are 1 per cent higher in each case than non-quota loans A. † Equal instalments of principal. ‡ Repayment by half-yearly annuity (fixed equal half-yearly payments to include principal and interest). § With half-yearly payments of interest only.

Accountancy Appointments

International Banking
Chief Financial Officer

c.£40,000+car City

A leading international bank whose extensive overseas activities include several major foreign subsidiaries requires a Chief Financial Officer to become responsible for all aspects of financial control, budgeting and accounting from a headquarters base in the City. Active participation as a senior member of management in the development of strategy and commercial policy is a vital part of the function.

Applicants must be graduate accountants or MBA's with substantial experience at this level in an international environment in a large scale financial, commercial or industrial corporation. Skills in man management, financial analysis and large computer based accounting systems are important. Age guideline 35–45.

Please reply, quoting ref. L 76, to:

Brian H Mason
Mason & Nurse Associates
1 Lancaster Place Strand
London WC2E 7EB
Tel: 01 240 7805

Mason & Nurse
Selection & Search

Financial Controller
Consumer Goods

S.W. London
to £20,000+car & benefits

Reporting to the Managing Director, responsibility is for all aspects of financial management. Key tasks include strengthening controls, developing management information systems and advising on financial policies. Success in the role should lead to an early board appointment.

This is an opportunity to make a significant contribution to the management of a manufacturer and distributor of quality consumer products, with a turnover of approximately £6m. The Company is part of a highly successful British group, and should soon benefit from a major reorganisation.

Candidates must be qualified accountants, probably aged 30-45, with substantial experience in a manufacturing environment, preferably consumer goods. Knowledge of computerised accounting systems, standard costing and stock control is essential. The position requires a strong personality and the ability to communicate fluently.

Conditions of employment are attractive, and assistance with relocation expenses will be provided if appropriate.

Applications, which will be treated in strict confidence, should contain relevant details of career and salary progression, age, education and qualifications.

Please write to Geoffrey Thiel, quoting reference 1219/FT on both envelope and letter.

Deloitte Haskins+Sells
Management Consultants
128 Queen Victoria Street, London EC4P 4JX

ACCOUNTANCY APPOINTMENTS

appear every

THURSDAY

RATE £31.50 per Single Column Centimetre

For further details contact:

CARMINA LEON

Tel: 01-248 8000

Career opportunity in the field of high technology . . .

DEVELOPMENT ACCOUNTING EXECUTIVE

Essex **£16-£18,000+benefits**

We have been retained by a major organisation who are primarily involved in the manufacture and supply of high technology products and services.

Operating through a network of regional offices, they are now seeking to recruit an accountant whose primary responsibility will be the development, consolidation and interpretation of accounting information received from all the group's regional offices.

Located in an attractive part of Essex, the position calls for a qualified accountant, aged 35-40 years, who has previous experience in a Controllership position within a commercial or industrial concern. There are excellent prospects for career development.

Written applications containing career details should be forwarded, in confidence, to Richard Norman, F.C.A., or Robert N. Collier at our London address quoting reference number 4169.

410 Strand, London WC2R 0NS. Tel: 01-836 9501
26 West Nile Street, Glasgow G1 2PF. Tel: 041-226 3101
3 Coates Place, Edinburgh EH3 7AA. Tel: 031-225 7744

DOUGLAS LLAMBIAS
Douglas Llambias Associates Limited
Accountancy & Management Recruitment Consultants

Oil Exploration and Production

Accountants
Central London
c.£19,000

The company is the UK subsidiary of a major international US oil corporation with substantial revenues resulting from successful North Sea Partnerships. It will soon commence drilling as an operator and urgently requires additional bright and ambitious accountants to join a small effective finance team.

There are two newly created positions. One involves the monitoring of the new company operated ventures, dealing with the full range of reporting requirements of partners and corporate management. The position may require trips to Aberdeen and needs an individual with a strong personal profile to cope with the representative aspects of the role. Previous oil company experience would be an advantage.

With the second appointment, the company is seeking to strengthen its budgeting and forecasting facilities with the further development of computerised systems in this function. An individual with the blend of forecasting and data processing skills will be involved with all physical areas of the company's activity both new and established.

In return for the excellent promotional prospects afforded by the company's growth rate, it demands a high level of personal motivation and determination. Flexibility, initiative and enthusiasm are essential personal attributes for successful integration into the existing team.

Please reply in confidence giving concise career and personal details and quoting Ref. ER634/FT to J.J. Cutmore, Executive Selection.

Arthur Young McClelland Moores & Co., Management Consultants, Rolls House, 7 Rolls Buildings, Fetter Lane, London EC4A 1NH.

Arthur Young McClelland Moores & Co.
A MEMBER OF AMSA IN EUROPE AND ARTHUR YOUNG INTERNATIONAL

APPOINTMENTS WANTED

CHARTERED ACCOUNTANT

age 48, trained by large City firm, former merchant banker, stock exchange investment, corporate finance and investigation specialist, seeks position with City firm in one or more of these areas.

Write Box A.8279, Financial Times 10 Cannon Street, London EC4P 4BY

FINANCIAL CONTROLLER

Surrey c.£16,000 + car

Our client is an established, small company in a specialist area of the computer manufacturing field.

Reporting to the Managing Director, the Financial Controller will have a broad-based responsibility for financial and general business controls, and will manage departments that include all accounting functions, administration and personnel.

Aged 30 to 35, applicants should be qualified accountants with some experience of management in industry. Knowledge of DP applications is highly desirable, and experience in dealing with the requirements of a USA parent company will be useful.

The overall remuneration package is most attractive.

Please write, enclosing full personal and career details to Michael Ping, quoting reference FT/453/P.

E&W Ernst & Whinney Management Consultants
Becket House, 1 Lambeth Palace Road, London SE1 7EU.

Financial Controller
Electronics *c.£20,000*

For those who have already experienced the drudgery surrounding many finance appointments this will seem like a breath of fresh, even spring-like, air (albeit in September). Briefly, I have been retained to find an individual capable of providing a creative financial management input to what is an expanding autonomous company within the Schlumberger organisation.

Schlumberger is recognised as one of the world's most successful and truly trans-national companies. Its management philosophy leans heavily on the concept of a high level of autonomy for the companies within the group and indeed each individual's contribution within that business. As a result the potential career progression can be matched by few other companies within the world.

As Financial Controller you will be responsible for a team providing financial analysis in support of new product introductions and the associated expansion of manufacturing facilities. In addition you'll have the responsibility for an expanding DP team and the management and financial accounting functions. Your involvement in the company's financial business planning will be paramount. Reporting directly to the General Manager, you will be a key member of the senior executive team.

You will recognise this as an opportunity to become deeply involved in the overall running of a business. It's likely that you'll be aged 28—40, of Graduate status and possess formal accounting qualifications. *Success will ensure future progression.*

Please forward a comprehensive curriculum vitae to **Tim Davies, Macmillan Davies Personnel Consultants, The Old Vaults, Parliament Square, Hertford SG14 1PU. Tel: (0992) 552552.**

Macmillan Davies Consultants

Macmillan Davies International Search Executive

Financial Controller
Manufacturing c. £16,000
North East + Car.

An expanding industrial manufacturer with an exciting product range requires a widely experienced financial controller.

The main tasks will be to install first class costing and reporting systems, to plan and arrange the company's financing, and to help the managing director to develop the business.

The position will appeal to an energetic accountant with extensive manufacturing systems experience, all-round financial management abilities and a positive personality. The prospects for the right person are very good indeed.

Write in confidence with brief career details, quoting reference L/313, to: C. I. McBride, Executive Selection Division, Peat, Marwick, Mitchell & Co, Airedale House, Albion Street, Leeds LS1 5TY.

PEAT MARWICK

HERON

Heron Trading Corporation
FINANCE DIRECTOR — DESIGNATE

CENTRAL LONDON

Heron has an unbroken record of successful growth, achieved by both development and acquisition, and is one of Britain's largest privately owned companies. Its entrepreneurial style combined with a firm asset base, strong cash-flow and tight controls form a sound platform for challenging future expansion.

Continued growth dictates that Heron's central finance team must expand. The new position will enhance the Corporation's ability to respond quickly and effectively to major opportunities, as well as increasing line financial management *capabilities.*

The Finance Director will coordinate financial information and activity within Heron Trading Corporation, a major division covering Heron's involvement in motor vehicle and motor cycle distribution, petrol retailing, housebuilding and the distribution of consumer products. There will be considerable scope for developmental planning and in implementing agreed courses of action. The position will demand a professional approach, coupled with a demonstrably successful track record gained in a relevant environment. Determination and action-orientated approach will be essential. *Age for the position will probably be mid 30's.*

Replies should be addressed to:
Heron House, 19 Marylebone Road, London NW1 5JL.

M. H. Marx, FCA, Finance Director,
HERON CORPORATION PLC,

Internal Auditor
BANKING

Kuwait **c.£26,000 tax free**

Our client is a leading Kuwaiti bank with an extensive national and international branch network. Reporting to the General Auditor, he will be responsible for planning and supervising the work of a substantial and well established internal audit team. Rapid career development prospects are excellent.

Candidates, aged around 30, must be professional accountants with at least five years' post qualifying audit experience with a strong involvement in commercial banking, ideally including auditing of UK branches of overseas banks. Familiarity with American banking practices and with audit software would be advantageous.

Salary is around £26,000 tax free and the benefits include furnished accommodation, forty days annual home leave and children's school fees.

Please send full career details, in confidence, to A. R. Duncan at Bull, Holmes (Management) Limited, 45 Albemarle Street, London W1X 3FE, quoting Ref: 327.

Bull Holmes
PERSONNEL ADVISERS

Our client's rate of growth has been dramatic over recent years following a multi-million pound investment programme with a current turnover well in excess of £25 million. Their business plan identifies considerable future market growth and as a consequence the company needs to add further professional strength to their finance and commercial function.

Young Commercial Accountant
circa. £11-£14,000 **South East**

Whilst this appointment will have particular financial and management accounting responsibility, it will also include a broad range of management involvement in the business. We need to find a person who can make an effective contribution to the development of D.P. based control systems, key project activities and staff management.

Candidates must certainly be qualified and technically competent and have had considerable exposure within a developing D.P. environment. Age range is likely to be 25-32 *and we are looking for an unusual degree of creativity* and flexibility with acute commercial awareness rather than an accountant who merely processes numbers and data.

The appointment will offer an attractive salary package and is located in a pleasant area of Kent.

Brief but comprehensive career details to C. J. Cassell, New Appointments Group, Personnel and Selection Consultants, 5 Park Road, Sittingbourne, Kent. Tel: (0795) 75431.

nag New Appointments Group
Personnel Consultants

Financial Controller

West of Scotland Executive Appointment

The Schlumberger Group, recognised as one of the world's most successful organisations in the modern technology industry, requires a Financial Controller for their Scottish Business Division of Sangamo Controls. This autonomous company is itself a market leader in electrical controls and the fast developing energy management industry.

Reporting to the General Manager, you will lead, manage and develop the finance function, to ensure the co-ordinated provision of financial information both for the Division and for Group Headquarters in Paris.

Qualified, you will have demonstrated significant achievements in your career to date, including development of computerised systems – an IBM system 34 is presently is use. A succinct communicator with a strong personality, you will be expected to have a major impact on the business, both in financial control and commercial development.

The salary and benefits package is commensurate with the position, and career prospects within the Group are excellent.

Please send full c.v. in the first instance to:

**Alison Lees,
Personnel Manager,
Sangamo Controls,
Industrial Estate,
Port Glasgow, Renfrewshire.**

SANGAMO
Schlumberger

Accountancy Appointments

Chief Internal Auditor

Insurance

Salisbury
to £20,000+car & benefits

UK Provident is a successful, rapidly growing, life insurance company. This new appointment has been created by the Board to establish an internal audit function to contribute to the maintenance of the company's high level of financial control.

Reporting to the General Manager, you will initially be responsible for developing and implementing a comprehensive programme of financial auditing in an increasingly complex computer-based accounting environment. A positive contribution to the further growth of the business is also expected, as scope exists for the evaluation of operational as well as financial activities.

Candidates will be Chartered Accountants, over 30 years of age, with extensive auditing experience, preferably gained in a financial services or commercial sector company. Knowledge of computer-based systems and their development is essential. A self-starter, the individual must also possess a positive personality and well developed communication skills.

Applications, which will be treated in confidence, should contain relevant details of career and salary progression, age, education and qualifications.

Please write to Kevin Rotherham, quoting reference 1196/FT on both envelope and letter.

Deloitte Haskins+Sells
Management Consultants
128 Queen Victoria Street, London EC4P 4JX

Corporate Investigations

North Midlands to £16,000+car

An important opening has arisen for a graduate accountant, preferably ICMA, or MBA to join a small team working at the centre of a £multi-billion International Engineering Group with an extensive range of interests.

The role, which is intellectually challenging, is primarily concerned with investigations into matters of corporate importance throughout the Group, with a particular concentration on a variety of financial and management control issues. The work involves regular exposure at the highest level.

A sound all round business training with specific experience of large scale manufacturing management control systems is required (the latter for one key element of the work only). Personal qualities must include well developed skills in analysis, communication and man management, coupled with the ambition and drive to develop a career well beyond this particular role.

The age guideline is late 20's/early 30's. Base location is North Midlands. Relocation assistance will be available if necessary.

Please reply, quoting ref. L 81, to:

Brian H Mason
Mason & Nurse Associates
1 Lancaster Place Strand
London WC2E 7EB
Tel: 01 240 7805

Mason & Nurse
Selection & Search

GUIDE TO ACCOUNTANCY RECRUITMENT CONSULTANTS

On Thursday, September 22 1983, the Financial Times proposes to publish a recruitment feature for newly qualified Chartered Accountants to coincide with publication of the list of successful candidates in the Institute of Chartered Accountants Part II examination.

This feature will give 100% coverage of newly qualified ACAs. (A complimentary copy will be sent to all at their home address.)

As part of this feature we will be including a comprehensive guide to recruitment consultants serving the accountancy sector. Entries, which will include company name, address and telephone number, will be charged at £45. Additional information can be included at £10 per line.

To book space or for further information call:

FRANCIS PHILLIPS on 01-248 4782

Management Consultants

Successful Business or Financial Managers

to £25,000+car

London, Birmingham and Manchester

We are the UK arm of one of the largest international accounting and management consultancy practices.

As consultants, we provide services to a variety of industrial clients both large and small, across a wide range of sectors. This might involve advising senior management on such matters as:
- MIS design and implementation
- profit improvement reviews
- marketing and business strategies
- cost management programmes
- new product development and pricing

We now need additional consultants to join our professional team. You will have a good first degree and a recognised accountancy qualification. Your career will be based in profit driven industrial companies and should have exposed you to a variety of functional areas. You should have had six years' experience since qualifying leading to a senior management position. This may include previous consulting experience.

We can offer the variety of working on a wide range of assignments, often as a member of a multi-discipline team. We will also provide a continuing training programme to build on your existing skills.

The positions will be based in London, Birmingham and Manchester. We offer you the opportunity to enhance your career in a creative, achievement-oriented environment not only by broadening your experience but by involvement in the management of a fast growing practice. Age indicator: 28-35.

If you believe that you can meet our requirements write to Ian Tomisson (quoting Ref. FM/2/FT) giving concise career and personal details. If you prefer, telephone in confidence for an initial discussion.

Arthur Young McClelland Moores & Co., Management Consultants, Rolls House, 7 Rolls Buildings, Fetter Lane, London EC4A 1NH. Telephone: 01-831 7130.

Arthur Young McClelland Moores & Co.
A MEMBER OF AMSA IN EUROPE AND ARTHUR YOUNG INTERNATIONAL

Finance Manager - Europe

c. £17,000 + car

BOC nowsco Limited, a subsidiary of Nowsco Well Service Limited of Canada, is a major international oilfield service company with sales in excess in US$150m per annum. The Company is seeking to recruit an experienced financial manager to take responsibility for the accounting activities in its European operations.

Reporting t othe General Manager—Europe, the Finance Manager will be responsible for all aspects of day-to-day accounting and financial reporting; the further development and introduction of a computerised accounting package and considerable involvement in the development and implementation of an appropriate tax and financial management strategy.

It is essential that candidates are qualified (preferably C.A.) and have experience of managing day-to-day accounts activities in an international environment. Ideally this would have been gained in a multi-site energy industry company and would have included exposure to international tax and financial management problems.

In addition to the salary offered a generous benefits package will include a company car, a profit-share scheme and contributory pension and accident insurance plans. The position will be based in Great Yarmouth and relocation expenses will be reimbursed as agreed. Some travel will be involved.

Applicants should send a comprehensive curriculum vitae in the first instance to:—
Ian R. Blackmore, International Personnel Manager
BOC-NOWSCO LIMITED
Boundary Road, Harfreys Industrial Estate
Great Yarmouth, Norfolk

NOWSCO

PRL Financial Appointments

ASSISTANT CONTROLLER — EUROPE
C. London £14,000+car
This computer hardware group, worldwide turnover $1 billion, manufactures and markets IBM compatable equipment throughout Europe. As a key member of the finance team this young qualified accountant will act as a Controller for growing and newly established profit centres and review all aspects of business policy. Candidates can expect early international promotion. Call Bill Curteis, B.A. — Ref: 6892

BANKING ANALYST
City £11,000+Subsidised Mortgage
Our client seeks a Graduate Accountant (23+) to work in their Financial Services Division. Duties will embrace forecasting, management accounts analysis, budgeting and variance analysis, and corporation and personal tax computation work. You will have already gained experience in the Financial Sector either in an analytical role whilst qualifying, or as an External Auditor for a bank. The ability to think clearly and express yourself lucidly is essential. Call Alastair Primrose, A.C.I.S. — Ref: 6783

FINANCIAL ANALYST
London to £14,000
High job satisfaction is undoubtedly one of the carrots offered by this well known multinational. Creative involvement in project appraisal, profitability assessments, budgeting and long term strategic planning will provide fresh stimulus for experienced analysts and an excellent training ground for recently qualified accountants of the right calibre.
Call Valdek Ceglowski, M.A. — Ref: 6849

INTERNATIONAL BANKING
Accountant, AIB or MBA £13,500
Our client a prominent U.S. Multinational Banking Corporation is constantly looking for highly motivated professionally qualified individuals who aspire to a career in International Banking. Initial openings are in European Audit which is seen as the training ground for potential management and provides valuable exposure to the banks operations. Call Ian Dutton B.Sc. — Ref: 6886

TREASURER/ASST TO FINANCE DIRECTOR
Berks £16,000
A small publicly-quoted group is seeking an ambitious young graduate accountant to join their Head Office to learn about their Treasury function and carry out project work for the Finance Director. The right person would move to a board level role in a subsidiary within about 2 years. Candidates should be qualified and in their late 20's.
Call Jane Woodward, B.A. Ref:6859

Personnel Resources Limited
76 GRAYS INN ROAD LONDON WC1X 8US 01-242 6321
LEADING SPECIALISTS IN FINANCIAL APPOINTMENTS

Assistant European Financial Controller

Windsor – c.£15,000 + bonus, car, etc.

INMAC is a highly successful and rapidly expanding international group, marketing a wide range of computer accessories.

They now need a qualified accountant to develop efficient operating systems throughout Europe and to assist the European Financial Controller in the overall management of the company's financial and administrative affairs.

Candidates should have had at least two years' appropriate experience since qualifying. Some experience with a well run international trading company would be particularly welcome.

Commercial nous and strong personal qualities are required, and prospects for advancement into general management are described as excellent.

Please reply in confidence, quoting ref 2550/L. to E. M. Nell, Peat, Marwick, Mitchell & Co., Executive Selection Division, 165 Queen Victoria Street, London EC4V 3PD.

PEAT MARWICK

Corporate Finance-USA Director Designate

In order to fulfil their plans for expansion in the U.S.A. Heron International wish to fill this important new post for Heron Financial Corporation, the holding company for their U.S. activities.

The work will involve principally the negotiation and documentation of property transactions, financial/banking arrangements and commercial and corporate transactions particularly acquisitions. The candidate should be fully experienced in these matters, preferably in a U.S. context, and must be able to deal with the complex and detailed legal, tax and accounting implications arising from the transactions envisaged.

The position will be most suitable for a candidate with a legal or accounting background either in a professional firm or in a large corporation or with merchant banking experience. It is unlikely that anyone with less than 10 years' relevant experience will have the ability to take on and succeed in this demanding position.

Although the post will be based initially in London a considerable amount of travelling to the U.S.A. can be expected.

Salary, benefits and other terms are negotiable but will be amply rewarding for the right candidate and it is envisaged that a Board Appointment will be made at the end of 12 months.

Please write in the strictest confidence to: Harry Dobin
Heron International PLC
Heron House, 19 Marylebone Road, London NW1 5JL.

HERON

WOOD GUNDY

Treasurer

The UK branch of Wood Gundy Limited, a major Canadian Investment House, requires a Treasurer for its International Operations. Based in London, duties will include management of Financial Accounting and Securities Departments totalling 60 persons.

The successful candidate will be a Chartered Accountant, aged 27-35 preferably with relevant experience in the securities industry.

A highly competitive remuneration package is offered.

Applicants should send a detailed curriculum vitae to Mr. W.J. Meredith, Wood Gundy Limited, 30 Finsbury Square, London EC2A 1SB.

Financial Controller

High Tech London
up to £18,000 + benefits

Our client is a young, high growth, high tech systems house with projects in Europe and the U.K., which is backed by a substantial private group.

An attractive new opportunity has arisen for an ambitious qualified accountant, aged 27-35, to make a major contribution to the future growth of the business.

Reporting directly to the M.D., the controller will be a key member of the management team and will be responsible for developing the accounting, management information and cash management systems, including foreign currency.

The successful candidate should have sound experience of computer systems and project costing and the ability to impose stringent financial controls, but above all will be able to produce evidence of commercial flair, high motivation and the determination and drive to succeed and grow with the Company.

Please send adequate details in confidence to: Peter T. Willingham (Ref: LM 50) or telephone for a Confidential Career Summary form. Spicer and Pegler Associates, 56-60 St. Mary Axe, LONDON EC3A 8BJ. Tel: 01-283 3070.

Spicer and Pegler Associates
INTERNATIONALLY SPICER AND OPPENHEIM

NEWLY QUALIFIED ACCOUNTANCY APPOINTMENTS
Thursday
22nd September 1983

The Financial Times has arranged with the Institute of Chartered Accountants to publish a list of those candidates who were successful in the recent Part II examinations.

We propose to publish the list in our issue of Thursday, 3rd March 1983, which will also contain several pages of advertisements under the heading of "Newly Qualified Accountancy Appointments." This feature will give 100% coverage of newlyl qualified ACAs (a complimentary copy of 22nd September will be sent to all at their home address).

Advertising rates will be £31.50 per single column centimetre. Special positions are available by arrangement at premium rates of £37.50 per s.c.c. Newly qualified Accountants, especially Chartered, are never easy to recruit — don't miss this opportunity!

For further details please telephone
01-248 4782 or 01-236 9763

TAX PLANNING & Financial Control

Our clients, London based Chartered Accountants, offer a unique concept in financial control and management services to an international clientele. To power further expansion they now wish to appoint an outstanding Chartered Accountant aged under 40, specialising in taxation and possessing a high degree of accounting skill. A very substantial rewards package is envisaged.

The specification includes a mix of one-off consulting assignments as well as a portfolio of international and UK casework including complex offshore planning. Overseas clients include major corporations and private individuals.

For full job description write in confidence to Mark Lockett at John Courtis & Partners, 104 Marylebone Lane, London W1M 5FU, showing clearly how you meet our client's requirements, and quoting MLR/9036.

JC&P
John Courtis and Partners

Young Financial Managers

An outstanding career opportunity for a high calibre Accountant
Aged Mid Twenties c.£19,000 p.a. Thames Valley

Mars Confectionery has a record of profitable growth which has made it the leading manufacturer in the UK's largest packaged goods market.

Sound financial management has enabled us to maintain our impressive record of commercial success and this, combined with internal development, creates a need to appoint a high-calibre young Accountant to join our highly professional team.

Responsibilities will include the management of a small group involved in either financial planning, financial accounting or management accounting as well as contributing to the overall financial management of the company.

This position will be of appeal if you are currently working in industry, or if you are in the profession and are looking to gain experience in a fast moving industrial environment.

Our need therefore, is for a qualified Accountant (A.C.A., A.C.M.A., or A.C.C.A.) with a good degree and an impressive professional track record. Good communication and interpersonal skills are essential for success in our environment.

We offer the successful man or woman a substantial remuneration package which includes a salary in a range from £17,000 to £24,000 p.a., and, where appropriate, assistance with relocation to the Thames Valley. Career prospects and opportunities for further development are excellent either within Mars Confectionery or other Mars Group Companies in the UK or abroad — and not necessarily limited to financial management.

Please write with brief details of age, qualifications and experience to:
George Oakham,
Personnel Department,
Mars Limited, Dundee Road,
Slough, Berks.

Mars

BUSINESS LAW

A way to rescue the bankers

A BETTER and enforceable international law of contract could do much to help with the solution of the present international debt crisis. If the analysis of this crisis, presented by Anthony Harris in the FT on September 1, is correct—and it is the only one which I have found convincing—the reliance on bank finance for long-term investment is at the core of the present troubles both in the UK and elsewhere. The only alternative to exposing the holes left by unpaid and unrecoverable debts in bank balances is the conversion of these debts into very long investment loans or, better still, into equity. For this there are abundant historical examples: after creating credit inflation the banks in Austria, Czechoslovakia and Germany repeatedly converted their clients' debts into shares.

This is how the industrial empires of central European banks came into being—and prepared the way for Nazi dirigism and Communist nationalisation of industry. Even if such dire consequences are not considered possible, the politician whom Anthony Harris invited to turn his attention to a problem too big for the bankers alone might be wary of the growth of the economic and, consequently, political power of the banks. Also it is unlikely, in the UK at least, that bankers would willingly exchange the easy profit on high interest rate differentials for the burden of industrial responsibilities.

No such objections to the conversion of what is passed off for "short-term commercial debts" into equity participation exists in respect of developing countries. The equity would be necessarily diffused between many industrial groups and no single Western bank would be likely to develop a power base in this way. The banks have no easy profits to lose because they "pay" the interest due by transferring money from one pocket to another under the guise of further loans that are bound to increase their ultimate losses.

The difficulty lies elsewhere; in spite of several international attempts, there is still no satisfactory system of legal protection for foreign investments in developing countries whose regimes are unstable and whose economic policies are volatile. The recent arbitration* of a dispute between Southern Pacific Properties (SPP) and Egypt illustrates well why investors have every reason to think twice before starting a joint venture in a developing country.

SPP, which has offices in Hong Kong, London and Sydney, owns or manages tourist assets of more than U.S.$200m, and operates resort facilities throughout the South Pacific. In February 1974 it started discussions for the development of an international tourist complex with the Egyptian Minister of Housing and Reconstruction. It was agreed that such a complex should be developed as a joint venture between the company and the Egyptian Government.

A more detailed agreement was concluded after the Minister of Housing and Reconstruction confirmed by a letter that the Government would provide infrastructure to the boundaries of each of the two project sites, but SPP insisted on an even more explicit underwriting of the project by the Government. It refused to sign the final agreement until the words "approved, agreed and ratified" were inserted on the last page over the Minister's signature.

A joint venture organisation was formed and approved, and by the end of 1978 SPP had made a substantial capital investment in labour and equipment. However, during that year opposition to the Pyramids Oasis, as the project was called, had developed in Egyptian political circles, and this led to a series of legislative and administrative measures which, in effect, cancelled the whole project and made its accomplishment impossible. SPP had recourse to the arbitration clause contained in the agreement, and asked for compensation on the basis of a fair market value of its shareholding in the joint venture, prior to the discontinuation of the project, as well as for lost profits.

The arbitration tribunal consisting of Prof Giorgio Bernini, as chairman, Mr Aly H. Elghatit, an Egyptian lawyer, and Mr Mark Littman QC, had first to decide whether the Egyptian Government merely approved the project or was a party to it. The majority concluded that by signing, not only "approved" but also "agreed," the Government became a party to the contract.

In conformity with a series of arbitration awards made in recent years in the disputes between oil companies and Libya, the tribunal held that the law governing the contract was the law of Egypt, inasmuch as it did not run contrary to applicable principles of international law. This conclusion was reached in view of the applicability of the Egyptian Law 43/74 and the accession of Egypt to the 1965 Convention on the Settlement of Investment Disputes.

The tribunal held that by ratifying the agreement, the Government was committed to support the project, and by undertaking a number of obligations became a party to the contract. A subsequent cancellation of the agreement for reasons of state did not relieve the Government from its liability for breach of contract, and the arbitration clause implied a waiver of sovereign immunity.

On February 16, 1983 the tribunal awarded SPP damages of $12.5m with interest. However, the Egyptian Government has not paid up and has instead appealed to a French court on the grounds that the arbitrators had no jurisdiction—the decision will be the first to come under the new French legislation on international arbitration and is thus of great interest.

The appeal is also likely to be weakened by the arguments submitted on behalf of Egypt in a similar dispute concerning the construction of a paperboard mill by Parsons & Whittemore, a U.S. company. In that case it was the U.S. party which refused to recognise an award on grounds of public policy, but was obliged to pay by a 1974 decision of the U.S. Court of Appeals for the Second Circuit.

The bitter truth is that neither the 1965 Convention, nor the New York Arbitration Convention of 1958 are very effective when the reluctance of the debtor government is reinforced by political hesitations on the part of the countries where the assets are located and where the awards would have to be enforced.

The only entirely efficient system of arbitration of disputes between states and foreign individuals so far is that devised by the Algerian Declaration for the Settlement of Iranian/U.S. claims. The force of this system is not only in a complete internationalisation of the process but also in the provision of a revolving $1bn fund for the automatic satisfaction of awards. This is probably the only model which, if adopted more widely, could induce an investment activity capable of converting irrecoverable debts into equity—and in the process contribute much to a better economic balance between North and South.

*Text from Jan Paulsson, Coudert Frères, FT European Law Letter, August 1983.

A. H. Hermann
Legal Correspondent

APPOINTMENTS

Part-time NCB posts

Mr Tommy Macpherson has been appointed a part-time member of the NATIONAL COAL BOARD for three years from September 12. He was chairman of Mallinson-Denny in 1981-82. He is a member of the Scottish Council for Development and Industry and a council member of the CBI. He is High Sheriff of Greater London for 1983-84, and is on the board of a number of companies including Birmid Qualcast, Allstate Insurance Company (chairman) and Scottish Mutual Assurance Society. **Mr Peter Michael** also becomes a part-time member of the board for the same period. He is deputy chairman of UEI. He was the Guardian Young Businessman of the Year in 1982 and is currently a member of the Advisory Council for Applied Research and Development.

★

Mr A. G. T. Chubb, a director of ELECTROCOMPONENTS, has been appointed deputy chairman. He is also managing director of Foseco Minsep.

★

Mr Eric Welsh, production and industrial relations director, SUNDERLAND SHIPBUILDERS, has been appointed managing director. He succeeds Mr Herbert Rice, now managing director of British Shipbuilders' merchant shipbuilding division and also chairman of Swan Hunter Shipbuilders.

★

At WESTMINSTER ASSURANCE Mr Gordon Pollard has been named administration services manager. He was claims and servicing manager. **Mr John Hendry** has been appointed pension manager. He joined from NEL. **Mr Michael Kingsley** has joined Westminster Assurance as new business manager. He was with Multiple Life and Health Assurance where he was manager of administration.

★

The LEVERHULME TRUST has appointed Sir Rex Richards to be director in succession to Dr Donald Tress when the latter retires at the end of 1984. Sir Rex will become co-director on October 1 1984 and director from January 1 1985. Sir Rex has been Warden of Merton College, Oxford, since 1969 and Chancellor of Exeter University since 1982. The Leverhulme Trust, established under the will of the first Viscount Leverhulme, currently disposes of an annual income of some £4½m for research and education fellowships.

★

Mr Gerald Stapleton has been appointed development director to the board of TEESLAND DEVELOPMENT COMPANY. He was previously Teesland's Development Surveyor.

COMPANY NOTICES

CITY OF OSLO

9¼% 1975/1985 Bonds UA 25,000,000

On August 25, 1983 Bonds for the amount of UA 3,050,000 have been drawn for redemption in the presence of a Notary Public.

The Bonds will be reimbursed coupon due October 15, 1984 and following attached on and after October 15, 1983.

The drawn Bonds are those, NOT YET PREVIOUSLY REDEEMED, included in the range beginning at:
12969 up to 16545 incl.

Amount purchased on the market: UA 200,000.
Amount unamortised: UA 9,000,000.

Outstanding drawn Bonds:

3 to 6 incl.	253 and 254	256 to 288 incl.
295 to 297 incl.	398 and 419	438
476 to 482 incl.	506	532 to 534 incl.
546 to 550 incl.	553 to 562 incl.	763 and 764
868	1413 to 1420 incl.	1582 to 1591 incl.
4111	4792 to 4794 incl.	4978 to 4987 incl.
4991 and 4992	5206 and 5207	5287 and 5288
5456	5509 to 5518 incl.	5664
9339 to 9343 incl.	9372 to 9380 incl.	9386 to 9388 incl.
9395	9398 and 9399	9419 and 9420
9431 to 9440 incl.	9457 to 9470 incl.	9475
9480 and 9481	9485 to 9487 incl.	9491 and 9492
9494	9498	9510 to 9512 incl.
9516	9524 to 9527 incl.	9537
9545 to 9547 incl.	9549 to 9554 incl.	9563 to 9565 incl.
9573 to 9586 incl.	9603 to 9606 incl.	9613
9623 to 9630 incl.	9707 and 9708	9711 and 9712
9746	9751 to 9756 incl.	9765 to 9769 incl.
9777 and 9778	9782 to 9792 incl.	9805 to 9808 incl.
9812 to 9817 incl.	9850 to 9859 incl.	9902 to 9906 incl.
9953 to 9956 incl.	9959	9963 and 9964
9968	9970 and 9971	9973
[illegible] to 9991 incl.	10002 to 10005 incl.	10009 to 10013 incl.
10025 to 10027 incl.	10037 to 10043 incl.	10050 to 10055 incl.
10077	10087 to 10090 incl.	10111
10136 to 10149 incl.	10210	10241 to 10243 incl.
10245 to 10253 incl.	10273	10280 to 10284 incl.
10287 and 10288	10300 to 10303 incl.	10331 and 10332
10336 to 10345 incl.	10347 to 10365 incl.	10379 and 10380
10400 and 10401	10404 to 10407 incl.	10413 to 10418 incl.
10421	10423 to 10428 incl.	10431
10445	10487 and 10488	10495 to 10498 incl.
10526 to 10532 incl.	10535 to 10546 incl.	10565 to 10569 incl.
10574 to 10576 incl.	10583	10588
10593 to 10595 incl.	10597	10655 and 10656
10765	10768 and 10769	10782 to 10853 incl.
10902 to 10909 incl.	10936 to 10938 incl.	10940 and 10941
10955 and 10956	11770 to 11779 incl.	11781 to 11783 incl.
11867 to 11881 incl.	11917 to 11923 incl.	11930
11951 to 11956 incl.	11968 and 11969	11971
12006 to 12013 incl.	12018 and 12019	12022 to 12027 incl.
12047 and 12048	12071 to 12075 incl.	12084 to 12095 incl.
12104 to 12108 incl.	12112 and 12113	12116 and 12117
12139	12147 to 12152 incl.	12187
12195 to 12216 incl.	12241	12245 and 12246
12268	12272 to 12274 incl.	12293 to 12296 incl.
12299 and 12300	12318 and 12319	12324
12338 to 12362 incl.	12410 to 12425 incl.	12466 to 12478 incl.
12538 and 12539	12548 to 12550 incl.	12574
12594 and 12595	12613 to 12615 incl.	12641 to 12643 incl.
12646 to 12655 incl.	12696 to 12733 incl.	12744 to 12747 incl.
12780	12924 to 12928 incl.	12947
12949	12955 to 12957 incl.	12963 and 12964

The Fiscal Agent
KREDIETBANK S.A.
Luxembourgeoise

Luxembourg, September 6, 1983.

AKTIEBOLAGET SVENSK EXPORTKREDIT
(Swedish Export Credit Corporation)
U.S.$25,000,000 7⅞% Notes 1983

NOTICE OF FINAL REDEMPTION

Noteholders are advised that all outstanding Notes are redeemable at par on 15th October, 1983 and that interest will cease to accrue on that date.

Notes are payable at:-
S. G. WARBURG & CO. LTD.,
30, Gresham Street,
London, EC2P 2EB,

or one of the other paying agents named on the Notes.

The following Notes drawn for redemption on the date stated below have not yet been presented for payment.

15th April, 1983
35 692 756 758

30, Gresham Street,
London, EC2P 2EB

15th September, 1983

THE COPENHAGEN COUNTY AUTHORITY
20,000,000 European Units of Account 8¾% 1979/1991 Bonds

Pursuant to the provisions of the Purchase Fund, Notice is hereby given to Bondholders that nominal UA 75,000 have been purchased during the twelve-month period from September 10, 1982 to September 9, 1983.

Amount outstanding: UA 18,425,000.
THE COPENHAGEN COUNTY AUTHORITY

September 15, 1983.

GRANGES
(The Grangesberg Company)
US$15,000,000 6¾% Loan 1987

S. G. WARBURG & CO. LTD., announce that the redemption instalment of Bonds due 16th October, 1983, for a nominal value of US$900,000 has been met by purchases in the market.

US$3,600,000 nominal amount of Bonds will remain outstanding after 16th October, 1983.

30, Gresham Street,
London, EC2P 2EB
15th September, 1983

C. ITOH & CO. LIMITED

ANNOUNCE THE FOLLOWING

It has been determined at Board Meeting held on 9th September 1983, that the interim dividend for the year ended 31st March 1984 shall be made to shareholders of final record as of 30th September 1983, and that the amount and time of payment thereof shall be decided at Board Meeting to be held on 24th November 1983.

FAELLESFORENINGEN FOR DANMARKS BRUGSFORENINGER CO-OP DENMARK

US$10,000,000 8¼% NOTES DUE OCTOBER 15, 1984

NOTICE IS HEREBY GIVEN to the bondholders of the above issue, that the fourth redemption instalment due on October 15, 1983, i.e. US$2,000,000, has been bought back in the market by the company.

Amount outstanding: US$2,000,000.

For FAELLESFORENINGEN FOR DANMARKS BRUGSFORENINGER CO-OP DENMARK
BANK OF AMERICA INTERNATIONAL S.A., Luxembourg
Fiscal Agent and Principal Paying Agent.

Luxembourg, September 15, 1983.

MOTOR CARS

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on your new car investment. Buy via
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Painless import. You take the profit. We do the work.
MYCAR

LEGAL NOTICES

IN THE MATTER OF THE COMPANIES ACT 1948
AND IN THE MATTER OF
CITY & GENERAL ADVERTISING LTD.

NOTICE IS HEREBY GIVEN pursuant to Section 299 of the Companies Act 1948 that a GENERAL MEETING of the MEMBERS of the above Company will be held at 1 Wardrobe Place, Carter Lane, London EC4V 5AJ on Tuesday 27th September, 1983 at 12.30 pm to be followed at 12.45 pm by a GENERAL MEETING of the CREDITORS for the purpose of receiving an Account of the Liquidator's Act and Dealings and of the conduct of the Winding-up to date.

Dated this 30th day of August, 1983.

B. MILLS,
Liquidator.

CLUBS

EVE has outlived the others because of a policy of fair play and value for money. Supper from 10-3.30 am. Disco and top musicians, glamorous hostesses, exciting floorshows. 189, Regent St. 01-734 0557.

PERSONAL

ORIGINAL ANTIQUE SATIRICAL PRINTS—Political, City, Military, etc. Will visit for personal presentation of selection from wide range. Phone Antoinette Tomsett. JOHN BULL PRINTS. 01-226 7680.

CONTRACTS AND TENDERS

REPUBLIQUE ALGERIENNE DEMOCRATIQUE ET POPULAIRE
(Algerian Popular Democratic Republic)

MINISTERE DE L'ENERGIE ET DES INDUSTRIES PETROCHIMIQUES
(Ministry for Energy and Petrochemical Industries)

ENTREPRISE NATIONALE DES TRAVAUX AUX PUITS
(National Company for the Exploitation of Oilwells)

NOTICE OF INTERNATIONAL CALL FOR TENDERS NUMBER 4181/1J/MEC

The Entreprise Nationale des Travaux aux Puits is launching an International Call for Tenders for the supply of:

SPARE PARTS FOR KENWORTH S953 TRACTORS

This Call for Tenders is intended for Manufacturing Companies only, and excludes amalgamations, representatives of companies and any other intermediaries, in compliance with the provisions of Law No. 78-02 of 11 February 1978, with respect to State Monopoly on Foreign Trade.

Tenderers interested in this Call for Tenders may obtain the specifications from the following address:

Entreprise Nationale des Travaux aux Puits
2 rue du Capitaine Azzoug
Cote-Rouge, Hussein-Dey, Alger (Algiers), Algeria
Departement Approvisionnement et Transports
(Supplies and Transport Department)

with effect from the date on which this Notice is published.

Tenders, of which five (5) copies should be prepared, must be sent in a double sealed envelope, by registered post, to the "Secretariat du DAT" (Secretariat of the Supplies and Transport Department) at the above address.

The outer envelope should be completely anonymous, bearing no company insignia, and stating simply "APPEL D'OFFRES INTERNATIONAL NUMERO 4181/1J/MEC — CONFIDENTIEL — A NE PAS OUVRIR" (International Call for Tenders Number 4181/1J/MEC — Confidential — Do not open).

Tenders should be sent to arrive by 12.00 hours on Saturday, 2 November 1983, at the very latest.

Selection will be made within 180 days from the closing date of this Call for Tenders.

International Appointments

Branch Management

Banking — Nigeria

A major Nigerian Bank is rapidly expanding its provincial Branch network in the Federation and is seeking dynamic and experienced young men and women to manage the new Branches.

Applicants will be high calibre, Nigerian citizens, aged 25-35, preferably graduates or qualified to equivalent professional level, with at least three years post-qualification experience in Credit and/or Banking Operations with a Bank or other Financial institution. They must have positive leadership, man-management and interpersonal skills in addition to functional capabilities.

The Bank will offer a very attractive salary and benefits package; initial interviews will be held in London.

Please write with full personal and career details, including photocopies of qualifications, to: Confidential Reply Service, Ref. ASB 8821, Austin Knight Limited, London, W1A 1DS.

Applications are forwarded to the client concerned, therefore companies in which you are not interested should be listed in a covering letter to the Confidential Reply Supervisor.

Austin Knight Advertising

The Morgan Bank is a leading U.S. Commercial Bank with worldwide operations. The Bank serves a variety of International Corporations, Governments and Banks through a broad range of Banking, Investment Advisory, Clearing and Specialized Financial Services.

The continuous rapid expansion of the Euro-clear Operations Centre requires the addition of an

account manager

to its Commercial and Banking Division.

The ideal candidate will have:
□ about 30 years of age; □ a university degree; □ a good command of English and German (some knowledge of French would be desirable); □ some working experience in International Banking, Investment Banking or Securities Related Industries; □ the ability to deal with people in an international environment; □ the willingness to travel about 25%.

Candidates are invited to send their c.v. to B. Antoine, Morgan Guaranty Trust Company of New York, avenue des Arts 35, B-1040 Brussels, Belgium.

The Morgan Bank

INTERNATIONAL OIL BROKER
PARIS

Leading European oil products brokers team, located in Paris, seeks a new young member:

— DIRECT OR RELATED EXPERIENCE (SHIPPING, OIL FUTURES OR OTHER COMMODITIES) REQUISITE
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— SELF MOTIVATED AND PERSONNABLE

We offer an immediate position with high financial prospects. Send C.V. to:

LIBRA PETROLEUM,
10 Rue de Castiglione, 75001 Paris.

AGENCY MANAGER/SYNDICATIONS

Bank in the Middle East seeks experienced candidate whose primary function shall be setting up and managing the agency functions of a newly created syndication group. Minimum 3 years' relevant experience essential. Location—large city in the Middle East. Generous and very competitive compensation package.

Write with full cv to Box A8288
Financial Times, 10 Cannon Street, London EC4P 4BY

GENERAL APPOINTMENTS

Credit Analyst

We currently have an opening for a credit analyst/credit administrator with at least two years professional experience in banking. In addition to credit analysis, responsibilities include working directly with the senior credit officer designing and maintaining credit control systems.

An attractive remuneration package and a challenging career await the successful candidate.

Please write, giving full career details etc., to: Keith Robinson, c/o Merrill Lynch International Bank Ltd., 27-28 Finsbury Square, London EC2A 1AQ.

Merrill Lynch

DIRECTORATE GENERAL OF FINANCE
MUSCAT, SULTANATE OF OMAN

ECONOMIST

PORTFOLIO MANAGER / INVESTMENT ANALYST

1. ECONOMIST

An experienced macro-economist is required for the directorate general of finance. He will be responsible for monitoring macro-economic trends in the major economies, preparing interest rate and currency forecasts and monitoring forecasts prepared by leading research houses. He will also be expected to assist in the process of overall investment analysis. Applicants should be ideally post graduate economists with at least five years in a practical investment environment.

2. PORTFOLIO MANAGER/INVESTMENT ANALYST

An experienced portfolio manager/investment analyst is required capable of advising upon a large multi-currency bond and equity portfolio. Whilst the applicant should be a graduate in business finance or related discipline, the emphasis will be on a wide ranging experience from the day-to-day administration and investment in all the major bond and equity markets to strategic issues of asset and currency allocation. He will be required to meet with and constructively comment upon the performance and investment policies of existing external portfolio managers.

This position is suitable for a person with at least seven years' experience in the management of a similar large portfolio.

Both positions are at a senior level, and have an attractive remuneration package which will include good tax-free salary, accommodation, car, first-class ticket, and paid leave. A gratuity will be paid after two years of service.

Applications together with a detailed C.V. should be sent to the following address: Box A8292, Financial Times, 10 Cannon Street, London EC4P 4BY, to arrive not later than 15th October 1983

ESD Merchant Banking
Lending
Hong Kong — £25,000 plus benefits

As a result of continued expansion and internal transfers, Wardley Limited seeks a Loan Manager to join its Hong Kong lending operation. The department handles a broad range of domestic and international transactions. In addition to its medium term lending activities, Wardley offers a range of special products including leasing and export credit.

The candidates will be in their mid 20's to early 30's and should have well developed general credit skills. Specialist technical or industry background, for example syndications, shipping or other asset-based lending experience would be a plus, but not essential for the right candidate. The successful candidate will be able to market, structure and negotiate loans packages independently and as part of a team. Salary is negotiable in the region £25,000 and an expatriate package adds significant financial benefits.

Candidates should write briefly and in confidence to Executive Appointments Ltd., Executive Selection Division, 18 Grosvenor Street, London W1X 9FD quoting reference WW428. No identities divulged without permission.

ESD is the Executive Selection Division of EAL

EXPANSION OPPORTUNITY
COMPANY SECRETARY
£20,000 PLUS CAR

A privately owned consumer products group is establishing a head office team to create a framework for further expansion.

A group Company Secretary is required to improve the group's central control and to relieve line managers of responsibility for day-to-day secretarial and legal matters.

Based in south-west London, the responsibilities of this position include:
—Secretarial duties for all group companies
—Overall control of contracts and legal disputes
—Control of trade marks
—Head office administration
—Supervision of legal and secretarial matters in overseas subsidiaries
—Group insurances
—Group pension scheme

Suitably experienced candidates will be aged 35-45 and have a legal or accountancy qualification and will be flexible enough to handle the corporate changes required to accommodate the group's development.

Please apply with comprehensive c.v. to the Managing Director Box A8294, Financial Times, 10 Cannon Street, London EC4P 4BY

TECHNOLOGY

EDITED BY ALAN CANE

NASA AWAITS THE GO-AHEAD FOR SPACE STATIONS IN THE 1990's

Industrial parks that spin in space

BY DAVID FISHLOCK

THE National Aeronautics and Space Agency is planning an "industrial park" in earth orbit for the early 1990s, circumnavigating the globe every 90 minutes. Such a scheme for a permanent U.S. presence in space was outlined by Mr John Hodge, director of the special task force of about 25 assigned last year to the job of planning a *multi-purpose space* station.

NASA's U.S. $9bn plan — not yet finalised — is expected to go to the White House this autumn in the hope of getting President Reagan's support for its first funds in 1985. Mr Hodge, speaking at Stanford University in California last Friday, said NASA hoped to have its space station in orbit by 1991. It would be big enough to accommodate up to eight people at a time, spending 3-6 months at a stretch in space. It would be put in orbit and serviced by the Space Shuttle.

At present, Space Station is seen as a cluster of different facilities — hence Hodge's term "industrial park" — some manned and some unmanned, that will serve both common research objectives and high specific missions. Hodge says NASA is making "an unusually extensive definition of a potential Space Station".

This is partly at least in response to critics who said that its Space Shuttle failed to meet potential users' requirements sufficiently. No previous NASA project has had such resources devoted to the planning stage. Experts are allocated to the task force as and when Hodge needs them.

He has also had mission analysis studies performed by eight aerospace contractors: Boeing, General Dynamics, Grumman, Lockheed, McDonnell Douglas, Martin Marietta, Rockwell and TRW. Each received last summer a £500,000 contract to examine missions "that require or would materially benefit from a permanent Space Station in low earth orbit."

Since their reports landed in spring, the task force has sharply increased the estimated cost of its "industrial park," from $4bn-6bn to $7bn-9bn. The latest estimate is based on a facility capable of carrying out a total of 107 missions between 1991-2000.

"We're trying very hard to reach and involve user communities," says Mr Terry Finn, Hodge's aide on policy matters. He says the contractors stressed the importance of man's presence in space and the task force is trying hard to get "the proper mix of man and machine."

The accompanying sketch shows the cluster of facilities which might come together as NASA's first industrial park in space. It comprises both manned and unmanned satellites. It is seen as serving both as a laboratory in space and as an operating base from which satellites could be serviced, large structures assembled, and an orbiting terrestrial vehicle (OTV) could base itself. As a "first step," the task force has outlined a scheme involving a manned base and a small unmanned platform at 28.5 degrees, with a second unmanned platform in polar orbit (see sketch).

> "We're trying very hard to reach and involve user communities." The task force aims to achieve to get the right mix of man and machine.

Six technology challenges beyond the Space Shuttle technology have been defined by the task force. These are advanced end-to-end information systems based on fault-tolerant software; high-capacity electrical power generation by such systems as gallium arsenide photo-voltaic arrays, regenerative fuel cells and nuclear systems; cryogenic fluid management; thermal management; crew systems and life support, including development of prolonged extra-vehicular activity for the crew; and the development of human capabilities, including faster responses to situations and crises.

The task force has the support of a small research and development effort within NASA's space research and technology programme. This is chiefly in such areas as systems control and data management, regenerative life support, and power systems. As Finn sees the task: "we've got to get it to the state where a project director is willing to bet his reputation on it." John Hodge, his boss, is himself one of NASA's first flight directors.

Why manned? Grumman, one of the task force's contractors, cites as one reason "the very first manned Skylab flight, when the team of three astronauts was able to repair the launch-damaged laboratory and save that extremely expensive orbiting array." Grumman believes that "human adaptability and versatility in the space milieu were demonstrated repeatedly in the Skylab."

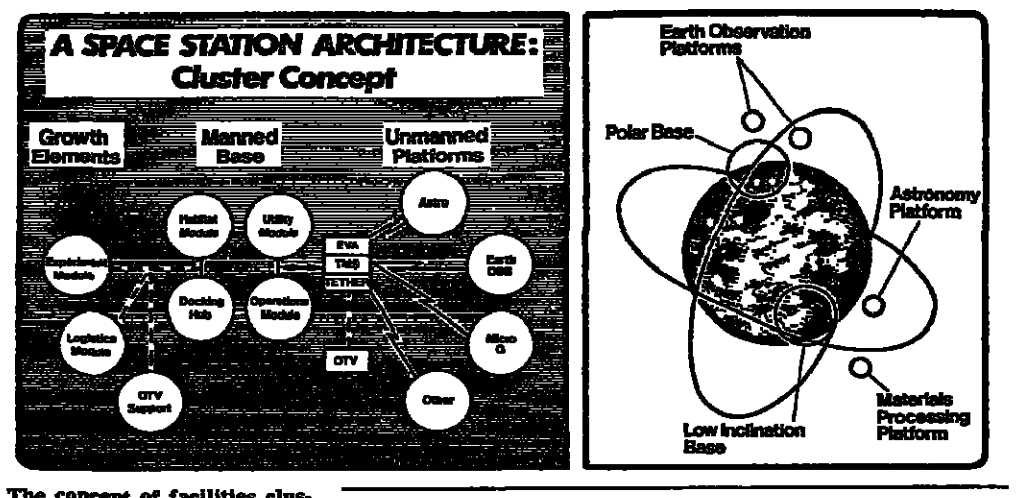
The task force is also paying heed to international interest, although no commitments have been made yet. Several countries have asked how they can participate in such a venture. The European Space Agency, W. Germany, Canada and Japan are all making separate but parallel studies of mission requirements for a space station.

ESA and Japan are studying elements they might develop for inclusion in the industrial park. Italy, in studies of its tethered satellite system, will include the possibility of applying tether concepts to a space station.

But the biggest uncertainty seems to be the role of the U.S. Department of Defense. The interest of the Pentagon in space as a new battleground has been growing rapidly. The U.S. Air Force created a Space Command just one year ago; the U.S. Navy more recently.

For the first time last year the Department of Defense spent more on space than civil agencies, a total of about $8bn. About one-third of all space launches are for the military. Of 87 scheduled Space Shuttle missions, 38 are being partly or wholly paid for by the Pentagon.

Without the Pentagon as one of its biggest customers—perhaps its biggest single customer—it looks unlikely that NASA will get political suppo**r**t this year for its $9bn industrial park.



The concept of facilities clustered in space includes both manned and unmanned stations. Stations will be industrial plants, some will look inwards to Earth, others to the stars.

SPACE STATION DEFINITION
PRELIMINARY MISSION DATA BASE (1991-2000)

SCIENCE AND APPLICATIONS	
Astrophysics	22
Earth Science and Applications	5
Solar System Exploration	10
Life Sciences	6
Materials Science	4
Communications	1
	48
COMMERCIAL	
Materials Processing in Space	11
Earth and Oceans Observations	3
Communications	14
	28
TECHNOLOGY DEVELOPMENT	
Materials and Structures	5
Energy Conversion	3
Computer Science and Electronics	4
Propulsion	2
Controls and Human Factors	5
Space Station Systems/Operations	8
Fluid and Thermal Physics	4
	31
TOTAL	107

The first U.S. space stations will fulfil commercial, research and development roles. Basic Science research projects still form an important part of the workload.

FINNISH RED CROSS INTERFERON

Providing tools for research

"OUR DOORS are open to researchers, even to the commercial world." So says Professor Harri Nevanlinna, at Finland's Blood Transfusion Service in Helsinki, whose unit is one of the leading producers of interferon in the world for research.

Much controversy still surrounds the drug Interferon—hailed at one time as a possible "wonder cure" for cancer and a few other diseases. After initially encouraging results some researchers gave false hope that interferon was the panacea for cancer ills.

Now some 20 years on researchers are still trying to find out what makes interferon tick. There remains the belief that interferon does have a role to play in eradicating disease particularly cancers but there is still a lot of basic research work to be done.

The Finnish Blood Transfusion Service is happy to provide its particular versions of interferon—there are a number—at cost price to a number of leading research centres. The service became involved with interferon production thanks to Kari Cantell who, in the early 1960s, decided to develop methods to produce enough of the material to enable trials to start.

Until 1980 says Hanna-Leena Kauppinen who runs the interferon production department "we were the largest and the only group producing it." Then the biotechnology companies developed methods to produce interferons with the hope of producing in far greater quantities than the blood transfusion services which uses the white cells in blood.

For the Finnish Blood Transfusion Service, white cells in the blood are often a waste product. But these are the very cells which can be used to make interferons using conventional technology. White cells are removed from the donated blood because using all the blood cells during a transfusion can sometimes set up an adverse reaction in a patient.

The basic principle used by the Blood Transfusion Service, Ms Kauppinen explained, was to stimulate the white cells to produce interferons. "We collect the white cell fractions and remove any residual red cells. This may sound very simple but it is a crucial part of the process," she explained.

The purified cells are then held in a culture medium to keep the cells alive and an influenza virus is introduced. This virus causes the white cells to produce alpha inteferons. After six hours the interferon is diffused into the culture medium.

The interferons thus produced are very dilute so the final step is to purify and concentrate the inteferon by 100 times. But even at today's production rate the group can only produce enough of the drug to treat 1,000 patients so its production methods remain very much a research tool.

Commercial companies such as Celltech in the UK and research centres around the world including the Karolynska Institute in Stockholm and the Anderson Institute in Houston have researched into interferons.

But why does the Finnish National Blood Transfusion Service continue to make interferons when so many others are now in the field—including Celltech—who produce the material using biotechnology?

When Cantell first produced interferon in quantity there was no other supplier. Demand came from research centres all over the world. The group specialised in producing alpha interferons because white blood cells produces at least eight sub-types so early experiments were centred around mixtures of interferons.

'When single interferons (made by biotechnology) came along in 1980 we thought that this would diminish demand for our production," said Professor Harri Nevanlinna at the service. True, there was a drop in 1981 but now demand is as strong as ever.

The reason was increasing interest in the interferon sub-types. Single interferons said Ms Kauppinen did not produce as promising a result in the fight against cancer as did the mixtures. No-one really understood how the different interferons interact and so researchers are now turning back towards the type of interferons that the transfusion service provides. "This year we produced 50 per cent more than las year," said Ms Kauppinen.

"The question still remains whether or not interferon has a future?" said Professor Nevanlinna. Until that question is answered the blood transfusion service is happy to continue to produce interferon for whoever wants it.

ELAINE WILLIAMS

Newspaperr

Small job equipment

A.M. VARITYPER has introduced a screen and keyboard digital phototypesetting equipment which at £15,495 is expected to bring the technique to small jobbing printers and setting companies as well as in-plant printing departments and even small newspapers.

The user sits at what amounts to a word processor coupled to an advanced digital photo-deck. When text is perfected on screen (12 inches, 14 lines of text) the setter will produce output on film or paper in one of 16 different type faces and 163 sizes from four to 85 point.

The unit, designated Comp/Edit 6000, uses the Spirascan digitising and imaging system and "paints" each character on the face of a CRT for exposure of the film or paper.

A communications option allows the Comp/Edit 6000 to accept text from other word processors, computers and remote terminals, giving remote typesetting. More on 0442 42251.

ATE

File transfer

MEMBRAIN SAYS it can now provide file transfer between any two of its MB3300S automatic test equipments (ATE).

The link provides a fast and convenient way to transfer ASCII and binary files from one tester's computer to another or from a programming station to a tester.

The effect is to eliminate the need for the physical transfer of disc pack, magnetic tape or floppy disc.

Using the link, test programs, data and results—even comments and commands—can be sent, between equipments in the same building or on different sites. More on 0202 893535.

THE MANAGEMENT PAGE: Marketing

EDITED BY CHRISTOPHER LORENZ

Advertising

Frank Lowe turns West for growth

Feona McEwan on a merger that has significant implications

IT IS four years since the first of Britain's new wave of advertising agencies began to grab attention. Breakaways, many of them from older and more traditional advertising houses, they argue that small is best and more importantly most creative.

Some are now sadly dead, others have been taken over by more robust bigger brothers. But the remainder—such as Leagus Delaney, Gold Greenlees Scott, Bartle Bogle Hegerty—are flourishing and continue to set a new pace for the industry.

Yesterday the new agency brigade notched up another win when one of its number—Lowe Howard-Spink—became one of the first British agencies to gain a controlling interest in the UK subsidiary of an American multinational. A merger has been agreed between British-based Lowe and American owned Wasey Campbell-Ewald.

The new company, of which Lowe has a majority shareholding, will be known, rather wordily, as Lowe Howard-Spink Campbell-Ewald and will be headed by Frank Lowe as executive chairman. Bill Murphy, chairman of Wasey, will also be on the board.

Not everyone in the industry is enthusiastic about the merger. Some believe that keying into a multinational network is likely to dilute the very creative strengths that put the Lowe Howard-Spink agency where it is today.

It is nonetheless something of a triumph for Mr Lowe, a colourful figure in the industry—and not only because of the famous hand-knit sweaters that are his hallmark. He made his name as a collector of creative talent in his Collett Dickenson Pearce days when he worked on a clutch of legendary campaigns which won a bevvy of creative awards, including the surrealistic Benson and Hedges cigarette campaigns, the Heineken lager which refreshes the parts other beers cannot reach" and the Fiat "handmade by robots" ads.

It was in May 1981 that Lowe, then managing director of CDP, together with his deputy Geoff Howard-Spink, who, its been said, has a sympathetic way with marketing men, broke away from their *alma mater* to go it alone. They took some £12m of business with them. For an agency that set up shop just two years ago, acquiring control of the London end of an American multinational is sweet music indeed. "It's extremely exciting," says Frank. "I could never have imagined that after just two years we'd be in this position."

Though forthcoming with his thoughts about the deal, Lowe is very reluctant to talk about financial arrangements. He will not disclose what the merger is worth, either personally or in terms of the value placed on his company.

Overnight, the deal sends the agency leapfrogging up the league table into the top 12 with a billing estimated at some £50m. Previously, Lowe Howard-Spink billed about £18.4m, placing it 42nd in the chart, and Waseys around £30m, making it 22nd, according to *Campaign*.

The mixture of U.S. and UK interest in the new agency is what makes the merger so intriguing, and it will be watched closely by the industry. Wasey's parentage is of particular significance since it leads ultimately back to the largest *advertising network in the* world, the American publicly quoted Interpublic Group. This consists of three worldwide systems: McCann - Erickson, SSC&B Lintas, and Marschald Campbell-Ewald Worldwide.

Wasey's is a subsidiary of the latter.

What this family tree means to Lowe Howard-Spink—it has a 55 per cent shareholding and Marschald Campbell-Ewald's 45 per cent—is a key-in to an international network it has sorely needed. Earlier this year, Lowe lost the Parker pen account, despite clever campaigns when the company placed all its worldwide ads with its major agency, the international Ogilvy and Mather.

The link with the Lowe operation should give Waseys the creative boost it needed following the loss of blue chip business and senior management moves.

The story is that Waseys first approached Lowe, attracted by its award winning work and select client list, but in an intriguing *volte face*, the seduced turned seducer. "It *is* the first time," says Les Delano, American president of Marschald Worldwide, "we have expanded our business through holding a minority stake in a leading agency. Marschald's mission is to build a highly entrepreneurial and flexible worldwide system with emphasis on real creative work."

"This is all part of a battle plan," says Delano, "to have creative the best agency in each market around the world. The last thing we're trying to do is to be a traditional American advertising system. We want homegrown talent deeply embedded in the local culture, not merely a branch of an American agency."

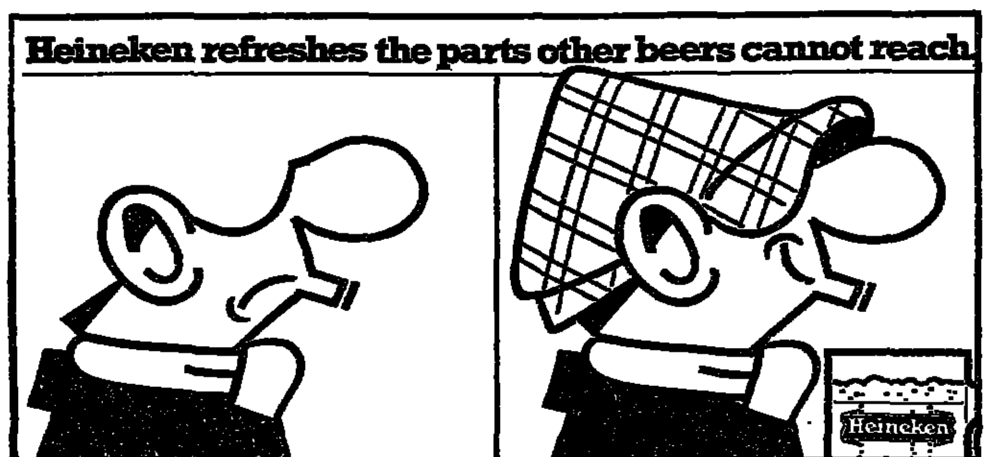
In due course it is thought the new agency will seek a public listing to finance future expansion.

The merger is also seen as a confidence booster to the UK's creative talent. Delano has no doubts. "If, like many people in America, you believe the best advertising is done in the UK, and I happen to believe *that it is, it's very important* for people trying to build up a creative system worldwide to have a frontrunner in the UK. Frank attracts great creative talent and he's certainly demonstrated that over the years."

Major clients of Lowe Howard-Spink include Whitbread, British Airports Authority, Lloyds Bank, Carreras Rothman, Birds Eye Walls. Wasey handles the UK advertising of Goodyear, General Motors Corporation, L'Oreal and, at home, Littlewoods and the Central Office of Information.

Colin Trusler, marketing manager of Lloyds Bank welcomes the move. Although it means business as usual to his company, he believes it shows "a recognition by America that the UK is not a European province of an American agency and that the creative talents in this country are superlative."

Of course, merger, acquisition and takeover are familiar words in ad agency lingo these days. As campaigns and clients become increasingly international in their thinking, and with cable and satellite prospects proposing to diminish national boundaries even more, agencies are keen to position themselves in readiness. The brothers Saatchi showed the way two years ago when, after just five years in business, they took over the giant Compton-Garland agency worldwide



Frank Lowe's creativeness has spanned Heineken, which involved a £4m advertising budget, to Nona's Dance Studio, with a budget of just £0.4m.

Clients put in the hot seat

BY ANTONY THORNCROFT

LAST FRIDAY morning 55 marketing executives, mostly of middle rank and employed by such respectable companies as General Foods, United Biscuits, Whitbread and Cadbury, arrived at Trinity College Oxford to be transmogrified. If all went well, by Monday lunch time they would be advertising executives, and not just solemn account executives but whizzy creative types.

The happening was the sixteenth Creative Circle Role Reversal seminar, the most *successful event in the calendar* of the Creative Circle, a club for the cream of creative talent in the UK's advertising agencies. The purpose of the three days is to give advertisers an insight into how agencies work with the hope that they will, in future, provide clearer briefs and appreciate the problems in creating campaigns.

It can be a chastening experience for the marketing executives. The agency participants relish the role of client and are quick to destroy the pretension, woolly thinking, and bravura of the delegates. This is their chance to be on the dominating side of the table and they do not waste the opportunity.

On arrival the delegates are divided into agencies, four or five in each group, and given their briefs. They compete against three other "agencies" for one of three accounts. This year the accounts, fleshed out with copious statistics, were real enough to be genuine. One "client" represented independent grocers seeking a campaign to halt the slide in sales; another was attempting to revive the fortunes of independent fishmongers; and the third "client" was a consortium defending book shops.

The delegates make two presentations of their creative ideas and invariably have their first offering torn to shreds. Their campaign is based around a video commercial produced with the help of a VTR crew.

Marketing executives become advertising executives: Creative work was consistently sound rather than erratically brilliant

On Monday morning all the commercials are shown and the "clients" award their accounts.

This year the creative work was consistently sound rather than erratically brilliant. Some "agencies" persisted with their ideas even after being shown the flaws; one was so confused after its first presentation that it never attempted to make a commercial. Some of the best work—for example, a commercial in which a housewife opens her cupboard door to find the corner shop handily inside—owed somthing to past advertising (the bank manager in the cupboard). Other efforts were amusing but hardly relevant—getting Inspector Clouseau, *generally regarded as a cretin*, to advertise book shops, was a case in point. But one group working on the book account produced some good copy, ads which said "From Milton to Keynes, From London to Blyton, From Marx to Spenser——the bookshops got it," but they failed to win the account.

Most participants thought the course, which cost £475, was worthwhile. Perhaps its main benefit is for management training—in every "agency" one or two individuals came to the fore to dominate the team, but few of the marketing executives will now regard their advertising agencies as indulgent.

Over the years almost a thousand executives have been "creative" for a few days and *many must now be in senior positions*. It would be bold to claim that the course has transformed the relationship between advertiser and agency, but such role reversal could have implications for other areas. One thing it does provide is an opportunity for contacts to be made among two groups—marketing clients and agency directors—who are likely to meet often again throughout their careers. The seminar offers creative directors a wonderful opportunity to show off in front of men and women *who, if not now, in a few years* time will be responsible for choosing advertising agencies.

The only disturbing feature of the whole occasion, as the director Paul Hoppe of the Simmons Consultancy pointed out at the finale, was the very low view that the delegates obviously have of advertising men. In assuming their personas they also became creepy and crawly, eager to lie if it made the client happy, and quite fickle in their principles. But they might also have concluded that working in an agency was good fun, despite difficulties of winning an account.

Notice to bondholders

Alcan Australia Limited

8½% Bonds due 1989

Notice is hereby given that, pursuant to paragraph 4 (a) of the terms and conditions of the bonds US$ 750,000.- principal amount thereof have been purchased by Swiss Bank Corporation, Zurich, as purchase agent during the year September 1st, 1982, to August 31st, 1983.

US$ 21,250,000.- nominal bonds will remain outstanding after August 31st, 1983.

Alcan Australia Limited
by Swiss Bank Corporation (Luxembourg) Ltd.
Luxembourg as Principal Paying Agent
September - 1983

BASE LENDING RATES

A.B.N. Bank	9½%	■ Hambros Bank	9½%
Al Baraka International	9½%	Heritable & Gen. Trust	9½%
Allied Irish Bank	9½%	■ Hill Samuel §	9½%
Amro Bank	9½%	C. Hoare & Co. †	9½%
Henry Ansbacher	9½%	Hongkong & Shanghai	9½%
Arbuthnot Latham	9½%	Kingsnorth Trust Ltd.	11 %
Armco Trust Ltd.	9½%	Knowsley & Co. Ltd.	10 %
Associates Cap. Corp.	9½%	Lloyds Bank	9½%
Banco de Bilbao	9½%	Mallinhall Limited	9½%
Bank Hapoalim BM	9½%	Edward Manson & Co.	10½%
BCCI	9½%	Midland Bank	9½%
Bank of Ireland	9½%	■ Morgan Grenfell	9½%
Bank Leumi (UK) plc	9½%	National Bk. of Kuwait	9½%
Bank of Cyprus	9½%	National Girobank	9½%
Bank of Scotland Ω	9½%	National Westminster	9½%
Banque Belge Ltd.	9½%	Norwich Gen. Tst.	9½%
Banque du Rhone	10½%	P. S. Refson & Co.	9½%
Barclays Bank	9½%	Roxburghe Gurantee	10 %
Beneficial Trust Ltd.	10½%	Royal Trust Co. Canada	9½%
Bremar Holdings Ltd.	9½%	Standard Chartered ‖	9½%
Brit. Bank of Mid. East	9½%	Trade Dev. Bank	9½%
■ Brown Shipley	10 %	TCB	9½%
CL Bank Nederland	9½%	Trustee Savings Bank	9½%
Canada Perm't Trust	10½%	United Bank of Kuwait	9½%
Castle Court Trust Ltd.	10 %	United Mizrahi Bank	9½%
Cayzer Ltd.	9½%	Volkskas Intnl. Ltd.	9½%
Cedar Holdings	10 %	Westpac Banking Corp.	9½%
■ Charterhouse Japhet	9½%	Whiteway Laidlaw	10 %
Choulartons	10½%	Williams & Glyn's	9½%
Citibank Savings ¶	10½%	Wintrust Secs. Ltd.	9½%
Clydesdale Bank	9½%	Yorkshire Bank	9½%
C. E. Coates	10 %		
Comm. Bk. of N. East	9½%		
Consolidated Credits	9½%		
Co-operative Bank *	9½%		
The Cyprus Popular Bk.	9½%		
Duncan Lawrie	9½%		
E. T. Trust	10 %		
Exeter Trust Ltd.	10½%		
First Nat. Fin. Corp.	11½%		
First Nat. Secs. Ltd.	11½%		
Robert Fraser	10 %		
Grindlays Bank ‡	9½%		
■ Guinness Mahon	9½%		

■ Members of the Accepting Houses Committee.
* 7-day deposits 6%, 1-month 6.25%. Short-term £8,000/12-months 8.6%.
† 7-day deposits on sums of: under £10,000 6%, £10,000 up to £50,000 7%, £50,000 and over 8%.
‡ Call deposits £1,000 and over 6%.
‖ 21-day deposits over £7,000 7%.
§ Demand deposits 6%.
¶ Mortgage base rate.
Ω Money Market Cheque Account = 9.15%. Effective annual rate—9.54%.

EEC proposes new dairy levy, Page 42

WALL STREET

Public paper plans sap sustenance

LITTLE sustenance was identified yesterday to enable Wall Street to undertake a renewed onslaught on market pinnacles in the face of the current strong gusts of Treasury funding, *writes Gordon Cramb in New York.*

The Dow Jones Industrial average, having veered gently either side of its overnight position, managed a 5.38 firmer finish at 1,229.47 on moderate volume similar to Tuesday's at 73.5m. In the broader market, advances had a narrow 792 to 717 edge over declines.

Government bond values fared less well as institutions adjusted their holdings ahead of the inflow of new paper.

Dealers in the credit markets pointed out that a morning markdown there had returned prices to their levels before last Friday's jubilation on news of a contraction in U.S. money supply. "We have seen a complete retracing of steps," said one securities house operator.

He added that the Treasury package at $14.25bn was big but not unmanageable, and that enthusiasm existed particularly for the longer-term issues on the way next week.

Pricing, as yet unresolved, was the critical determinant as usual. "There is a price at which the Treasury can unload virtually anything it wants," the dealer commented.

A mid-morning intervention by the Federal Reserve to aid the market with $700m in customer repurchase arrangements did not prompt any substantial rally, and Fed Funds remained at 9½ per cent – a level which the market is coming to believe reflects the authorities' target for a stable monetary policy.

The stock market, meanwhile, gave the dramatic scaling-down of Baldwin-United a rough reception. Its planned sale of the MGIC investment unit prompted a $1⅛ drop to $5⅝ against a high over the past year 10 times greater at $55⅝.

The spectacular upward performance was provided by KN Energy, the subject of a takeover bid from Mesa Petroleum. Mesa, which had privately acquired 3.9 per cent of the Colorado gas pipeline concern at some $44.50 a share, offered a share exchange for the remainder valued at an estimated $54.25 each.

KN, already $2 up on Tuesday at $45 before the news emerged, jumped a further $11 to $56.

Northwest Energy, another takeover target, again attracted attention when a group led by the privately held Ivan Boesky Corporation reported that it now held a 5.8 per cent stake. This was widely believed to be with the aim of speculative profits rather than control, however, and NWE stock firmed just $⅜ to $37⅝.

Williams Companies, off $⅜ at $25¾, on Monday offered $39 a share for NWE, eclipsing a previously agreed leveraged buyout led by Allen and Co and valued at $31 apiece.

In the high technology sector Coleco, which failed to deliver on time the equipment needed for Federal approval of its new Adam product line, slid $1⅛ to $38¾. IBM at the same time firmed $⅞ to $122⅞ and the recently favoured Hewlett Packard $⅝ to $43. On the American Stock Exchange Wang was steady in active trading at $30¾.

Of the Detroit automotive giants, Ford was buoyed by news of the intended closure of its unprofitable Rouge steel plant. It put on $1⅛ to $60⅞. Chrysler preferred stock was suspended as the company said it would catch up on four years of omitted preference dividends. The common stock picked up $¼ to $29⅝.

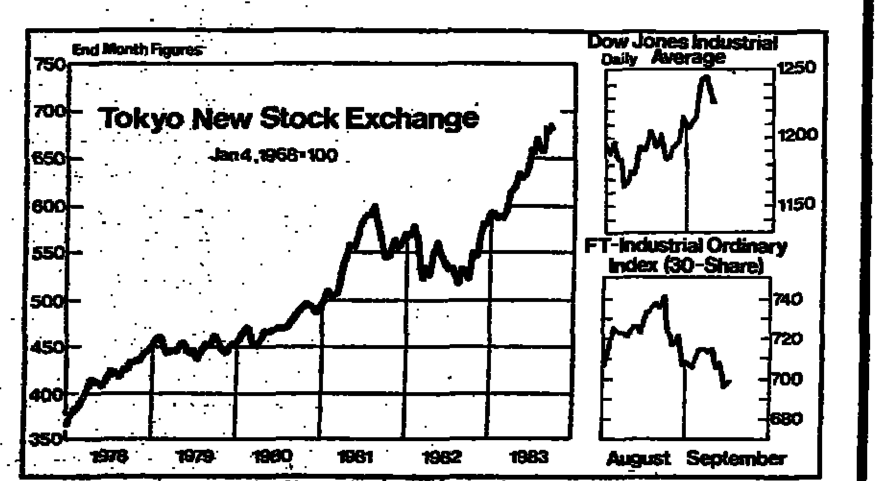
Stores group Dayton Hudson added $1½ to $32⅝, while Southland in the foods sector suffered from a renewed bribery probe of senior executives, dipping $1⅝ to $40.

Credit markets drifted downward throughout the day to leave the 12 per cent 2013 Treasury bond about ¾ off at 102⅞. The three-month Treasury bill was discounted at 9.11 per cent against the overnight 9.07 and the six-month at 9.24 against 9.17.

Dealers said the favour accorded to the long end of the new Treasury funding exercise – including the sale of $3.5bn in 20-year bonds a week today – was to the detriment of the auction of $8bn in two-year notes yesterday evening.

The auction produced an average 10.91 per cent yield up from last month's 10.73 per cent.

KEY MARKET MONITORS



STOCK MARKET INDICES

NEW YORK	Sept 14	Previous	Year ago
DJ Industrials	1229.47	1224.09	923.01
DJ Transport	563.69	561.05	375.45
DJ Utilities	131.74	131.21	116.23
S&P Composite	165.36	164.80	123.10
LONDON			
FT Ind Ord	699.8	695.8	576.2
FT-A All-share	447.06	445.30	354.53
FT-A 500	483.05	480.28	392.20
FT-A Ind	432.50	431.25	362.95
FT Gold mines	666.8	674.2	364.0
FT Govt secs	80.82	80.82	77.86
TOKYO			
Nikkei-Dow	9274.11	9299.33	7096.3
Tokyo SE	682.09	685.65	532.77
AUSTRALIA			
All Ord.	725.8	731.3	493.4
Metals & Mins.	598.1	603.8	403.2
AUSTRIA			
Credit Aktien	55.14	55.15	48.64
BELGIUM			
Belgian SE	131.4	132.08	100.26
CANADA			
Toronto Composite	2568.9	2560.6	1615.0
Montreal Industrials	459.77	457.70	294.91
Combined	432.19	430.47	277.88
DENMARK			
Copenhagen SE	n/a	204.22	85.58
FRANCE			
CAC Gen	133.0	134.2	98.8
Ind. Tendance	141.8	143.1	114.1
WEST GERMANY			
FAZ-Aktien	307.86	310.42	224.6
Commerzbank	912.7	921.10	680.2
HONG KONG			
Hang Seng	889.09	906.26	1092.69
ITALY			
Banca Comm.	197.49	197.79	163.13
NETHERLANDS			
ANP-CBS Gen	139.3	139.6	86.8
ANP-CBS Ind	111.4	112.6	68.3
NORWAY			
Oslo SE	210.89	210.6	104.37
SINGAPORE			
Straits Times	969.46	978.02	633.4
SOUTH AFRICA			
Golds	923.2	934.6	635.6
Industrials	948.0	946.5	616.4
SPAIN			
Madrid SE	116.23	115.71	100.83
SWEDEN			
J & P	1507.33	1504.74	628.81
SWITZERLAND			
Swiss Bank Ind	336.6	337.1	248.4
WORLD	Sep 13	Prev	Yr ago
Capital Int'l	178.7	180.0	134.5

GOLD (per ounce)

	Sept 14	Prev
London	$403.375	$408.875
Frankfurt	$401.75	$406.75
Zürich	$402.50	$407.50
Paris (fixing)	$408.00	$407.08
Luxembourg (fixing)	$406.75	$407.25
New York (Sept)	$408.40	$414.50

* Indicates latest pre-close figure

CURRENCIES

(London)	U.S. DOLLAR Sept 14	U.S. DOLLAR Previous	STERLING Sept 14	STERLING Previous
$	–	–	1.4905	1.494
DM	2.6855	2.679	4.005	4.015
Yen	245.25	243.9	365.75	365
FFr	8.105	8.085	12.08	12.075
SwFr	2.1845	2.1775	3.26	3.255
Guilder	3.002	2.9975	4.4775	4.48
Lira	1605.5	1599.5	2392.5	2390.5
BFr	54.15	53.97	80.70	80.65
C$	1.23225	1.23225	1.8385	1.8405

INTEREST RATES

Euro-currencies (three month offered rate)	Sept 14	Prev
£	9¾	9 13/16
SwFr	4⅝	4⅝
DM	5⅝	5⅝
FFr	15⅝	15
FT London Interbank fixing (offered rate)		
3-month U.S.$	10	10
6-month U.S.$	10¼	10¼
U.S. Fed Funds	9⅜	9 5/16
U.S. 3-month CDs	9.55	9.50
U.S. 3-month T-bills	9.12	9.05

U.S BONDS

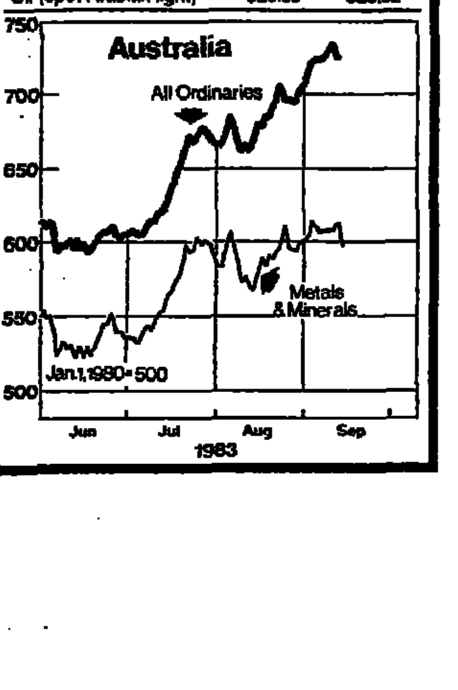
Treasury		Sept 14 Price	Sept 14 Yield	Prev Price	Prev Yield
10¾	1985	99 29/32	10.82	99 28/32	10.71
10¾	1990	95 22/32	11.66	96 10/32	11.53
11⅞	1993	100 8/32	11.71	101 12/32	11.57
12	2013	102 7/32	11.72	103 6/32	11.61

FINANCIAL FUTURES

CHICAGO	Latest	High	Low	Prev.
U.S. Treasury Bonds (CBT) 8% 32nds of 100%				
September	71–07	71–27	71–06	71–30
U.S. Treasury Bills (IMM) $1m points of 100%				
December	90.65	90.64	90.54	90.66
Cert Deposit (IMM) $1m points of 100%				
September	90.52	90.57	90.50	90.56
LONDON				
Three-month Eurodollar $1m points of 100%				
December	89.78	89.84	89.75	89.83
20-year Notional Gilt £50,000 32nds of 100%				
September	103–27	103–27	103–20	103–23

COMMODITIES

(London)	Sept 14	Prev
Silver (spot fixing)	787.20p	792.40p
Copper (cash)	£1058.50	£1078.00
Coffee (Sept)	£1737.00	£1722.50
Oil (spot Arabian light)	$28.65	$28.62



LONDON

Technical rally claws back losses

EQUITY markets rallied in London yesterday from Tuesday's depressed levels, mainly on technical considerations. A forecast that the UK economic recovery is accelerating and remarks from Shell that the North Sea contains 50 per cent more oil awaiting development or discovery were helpful factors in taking the FT Industrial Ordinary share index 4 points higher to close at 699.8.

The volume of business in the leaders remained subdued while company news and bids again provided plenty of interest.

South African golds gave further ground throughout the session in the face of sustained selling from all the Continental dealing centres, Johannesand in late trading in New York. *Details, Page 37; Share Information Service, 38-39.*

AUSTRALIA

OIL AND GAS stocks came in for some heavy profit-taking in Sydney yesterday to lead a widespread decline in prices for the second day running.

Investors took their cue from Wall Street's lower close and the All Ordinaries index slid 5.2 points to 725.8, bringing its loss over two days to 10.5. The oil and gas index slumped 17.7 points to 750.6, following a 21 point drop the day before.

HONG KONG

PERSISTENT fears for the political future of Hong Kong which sent the local currency to an all-time low against the U.S. dollar yesterday pervaded the colony's stock exchanges.

The Hang Seng index fell 18.23 points at one stage to 888.03, but recovered slightly in sporadic late short covering to finish 17.7 points off at 889.09 – its first below-900 close since June 10.

SINGAPORE

HESITANT trading in Singapore saw prices open easier and fall steadily to the close, when the Straits Times index was off 8.56 at 969.46.

Most sectors were weaker. In banks, DBS fell 5 cents to S$9.60 and OCBC 10 cents to S$10.60, while in properties Selangor dropped 15 cents to S$6.45.

Plantations and motor groups were mixed but shipyards fell. One of the few gainers in a mixed industrial sector was North Borneo Timbers, 1 cent ahead at S$2.10.

SOUTH AFRICA

SELLING pressures increased towards the close in **Johannesburg** as the bullion price slipped closer to the $400 level. Gold miners bore the heaviest losses, with Free State Geduld dropping R4 to R53.25 and Gold Fields SA R4.5 off at R143.

Industrials held firm, however, with investors hoping the gold price setback would be only temporary.

CANADA

GOLD MINES were the heaviest losers as **Toronto** stocks drifted lower at mid-session after moving in a narrow range throughout the morning.

Lake Shore Mines traded C$1½ lower at C$48½, Campbell Red Lake was C$¾ off at C$34 and Dome Mines C$¼ down at C$19½. Lac Minerals improved, though, by C$1¼ to C$33¾.

TOKYO

Attention shifts to speculatives

THE CONTINUED decline on Wall Street combined with increased margin debts and the tense situation in Lebanon to push down blue chips in Tokyo yesterday, *writes Shigeo Nishiwaki of Jiji Press.*

The Nikkei-Dow index ended the day in slow trading at 9,274.11, off 25.22. Turnover amounted to 290.92m shares, up from Tuesday's 258.42m. Declines outnumbered advances 411 to 237, with 189 shares unchanged.

TDK lost Y70 to Y5,270, Sony Y50 to Y3,660, Matsushita Electric Industrial Y30 to Y1,630, NEC Y20 to Y1,420, Hitachi Y12 to Y876 and Canon Y20 to Y1,430.

Buyer interest in the pre-holiday market shifted to speculative issues, with Nippon Lace scoring a maximum gain of Y200 to Y1,290 on renewed rumours of the cornering of the issue. Aoki Construction advanced Y30 to Y1,080 on expectations of its participation in a project to construct a second Panama canal, while Mitsubishi Metal gained Y34 to Y469, and other non-ferrous metal stocks also firmed.

Fujisawa Pharmaceutical, which lost Y80 to Y940 Tuesday on reports of an industrial spy case involving its employees, regained Y20 to Y960 because of smaller than expected selling by foreign investors in the morning and widespread expectation that the case would not affect the drug maker's management. Other pharmaceutical issues were mixed.

Nippon Steel eased Y3 to Y169 and Kawasaki Steel Y1 to Y173. The two issues had been in favour because of buying by foreigners.

The Bank of Japan bought Y100bn worth of seven issues of 7.7 per cent government bonds in the morning to bring life to the bond market, which had tended to lose strength the previous day because of selling by major securities houses. Towards the close, three trust banks offered to buy 10-year government bonds and interest-bearing bank debentures for a total of Y50bn.

Yield on the barometer 7.7 per cent government bonds, with six years remaining to maturity, and 7.5 per cent government bonds, with 9½ years remaining, fell 0.02-0.03 per cent from Tuesday to 7.61 per cent and 7.95 per cent, respectively.

Outstanding bonds held by 16 major securities houses at the end of last week stood at Y1,680bn, a sharp gain of Y290bn compared with a recent low registered in mid-August. This reflects major securities houses' active buying of massive bonds sold by city and trust banks.

Major brokers sold some of their holdings on Tuesday, but said they would no longer sell such bonds in large lots because their holdings were at the optimum level.

EUROPE

Retrenching amid bargain hunters

WALL STREET'S purposeful retreat to lower levels on Tuesday set the pattern for European bourses yesterday, and the dollar's renewed vigour had a further subduing effect on equities.

Bargain hunters injected a touch of firmness in **Frankfurt** after a dismal start had brought sharp losses across the board.

Most leaders managed to recover much of their early losses and a few achieved marginal gains, but the Commerzbank index was still 8.4 points adrift at 912.7.

Banks, chief target of the bargain hunters, were a bright spot. Dresdner added DM 1.70 to DM 170.70 and Deutsche rose DM 1 to DM 301 after sinking to DM 296. Commerzbank shed DM 1, though, at DM 166.50.

Motor and chemical stocks also came in for attention. BMW ended unchanged at DM 376 after trading down to DM 373.20. VW was 50 pfg behind at DM 215.50 and Daimler closed DM 3 off at DM 566.50 after DM 555.

In chemicals, Hoechst's loss was reduced to 10 pfg at DM 151.60 and Bayer was 80 pfg short at DM 147. BASF was unchanged at DM 147.60.

Domestic bonds were virtually unchanged in a market lacking impetus.

In **Amsterdam**, stocks were narrowly mixed with the gainers concentrated among international groups like Royal Dutch, up Fl 2.60 to Fl 140.00, and Unilever, Fl 4 ahead at Fl 226.50 Exceptions were Hoogovens, 20 cents off at Fl 35.20, and Akzo, which increased its opening losses to trade 80 cents down at Fl 76.50.

Banks ABN and NMB held firm at Fl 363 and Fl 145 but Amro gained 50 cents to Fl 60.50, regaining its loss of Tuesday.

Domestic bond prices were steady, with the 9 per cent state loan which successfully raised Fl 4bn at 101 per cent on Tuesday, trading at 101.1.

Active trading took prices broadly lower in **Paris**, where the Bank of France's decision to raise the call money rate by ¼ point to 12¼ per cent contributed to the sombre tone.

Rubbers, hotels, food and engineerings fell, with Michelin down FFr 21 to FFr 802, Club Mediterranée off FFr 20 to FFr 695, Perrier FFr 4.9 down to FFr 325.1 and Radiotechnique FFr 16 lower at FFr 415.

Thomson-CSF shed FFr 6.4 to FFr 186.6 despite forecasting an improvement in its communications business, and Creusot-Loire fell FFr 3 to FFr 64 when its directors put off their decision on a Government restructuring plan.

Firming interest rates and a spreading public sector strike unsettled investors in **Brussels**. Prices closed lower after moving uncertainly in moderate trading.

Société Générale was a rare gainer, BFr 25 to the good at BFr 1905.

In **Zurich**, prices ended narrowly mixed in cautious trading with interest focussed on selected financials. Leading industrials held their ground.

Technical sales ahead of Friday's account settlement sent prices sharply lower in **Milan**, but late defence intervention by institutions reduced the early losses and took a few issues higher.

Madrid prices again reversed the trend, rising steadily in quiet trading to lift the bourse index 0.52 points to 116.23.

The downturn in New York and other major stock markets failed to motivate **Stockholm** investors and prices remained mixed in nervous, moderate trading. Most international issues were unchanged to lower, though Atlas Copco gained SKr 6 to SKr 117. Aga shed SKr 5 to SKr 350 and Asea SKr 3 to SKr 410.

NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

12 Month High	Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
[illegible]										

Continued on Page 35

AMERICAN STOCK EXCHANGE COMPOSITE CLOSING PRICES

Continued on Page 36

NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

Continued from Page 34

Continued on Page 36

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 per cent or more has been paid, the year's high-low range and dividend are shown for the new stock only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a—dividend also extra(s). b—annual rate of dividend plus stock dividend. c—liquidating dividend. cld—called. d—new yearly low. e—dividend declared or paid in preceding 12 months. g—dividend in Canadian funds, subject to 15% non-residence tax. i—dividend declared after split-up or stock dividend. j—dividend paid this year, omitted, deferred or no action taken at latest dividend meeting. k—dividend declared or paid this year, an accumulative issue with dividends in arrears. n—new issue in the past 52 weeks. The high-low range begins with the start of trading. nd—next day delivery. P/E—price-earnings ratio. r—dividend declared or paid in preceding 12 months, plus stock dividend. s—stock split. Dividends begins with date of split. sls—sales. t—dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u—new yearly high. v—trading halted. vi—in bankruptcy or receivership or being reorganised under the Bankruptcy Act, or securities assumed by such companies. wd—when distributed. wi—when issued. ww—with warrants. x—ex-dividend or ex-rights. xdis—ex-distribution. xw—without warrants. y—ex-dividend and sales in full. yld—yield. z—sales in full.

WORLD STOCK MARKETS

AMERICAN STOCK EXCHANGE CLOSING PRICES

Continued from Page 35

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NEW YORK CLOSING PRICES

Continued from Page 35

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CANADA

(Closing Prices) Stock	Sep 14	Varn.
AMCA Int.	24¼	+½
Abitibi	24¾	−¼
Agnico Eagle	19	−⅛
Alberta Energy	19⅞	+⅛
Alcan Alumin	48⅜	−⅜
Algoma Steel	30¼	+⅛
Asbestos	12	+¼
Bk Montreal	29	+⅛
Bk Nova Scotia	43	+¼
Basic Resources	–	–
Bell Canada	28⅞	+⅜
Bombardier A	13¾	–
Bow Valley	27⅞	−⅛
BP Canada	–	–
Brascan A	38⅞	+⅛
Brinco	3.5	−0.1
B. C. Forest	11¼	+⅛
CIL Inc	29⅛	+⅛
Cadillac Fairv.	5⅛	−⅛
Can Cement	–	–
Can NW Energy	26½	–
Can Packers	24⅝	−⅛
Can Trustco	44¾	−¼
Can Imp Bank	33⅞	+¼
Canadian Pacific	48½	+⅜
Can. P. Ent.	23½	−⅛
Cdn Tire	63¾	−⅝
Carling O'Kfe	23⅝	+1
Chieftain	28⅝	+⅛
Cominco	62⅛	–
Cons Bathst A	22¾	+¼
Coseka Resources	3.85	−0.15
Costain	10	–
Denison Mines	50	−⅛
Dofasco	54	+⅛
Dome Mines	19¾	–
Dome Petroleum	5¾	–
Dom Stores	21⅛	−⅝
Domtar	27⅛	–
Falconbridge Ltd.	84½	−2
Genstar	29⅛	+⅜
Giant Y'knife	27¾	−¾
Gt West Life	225	–
Gulf Canada	19¾	−⅛
Hawk Sid Can	17½	+⅜
Hudson Bay Mng	–	–
Hudson's Bay	23¼	+⅛
Husky Oil	12⅛	+¼
Imasco	34	+⅜
Imp Oil A	40¼	+¼
Inco	21¾	+⅛
Indal	11½	–
Interpr Pipe	30½	−¼
LAC Minerals	–	–
Mac. Bloedel	28	+⅛
Marks & Spencer	13⅞	−⅜
Massey-Ferg	7	–
McIntyre Mines	45	−¼
Mitel	17⅞	+½
Molson A	–	–
Moore Corp	57¾	+¾
Nat. Sea Prods A	8⅝	–
Noranda Mines	26⅛	+⅛
Nova Alberta	7½	–
Numac Oil	25⅛	+⅜
Nthn Telecom	55	+1½
Oakwood Pet	12	–
Pancanadian Pet	30	–
Patino	35	–
Placer Devt	26⅞	+⅛
Power Corp Can	17¾	+⅛
Quebec Strgn	10	+¼
Ranger Oil	14¼	–
Reed Stenhse A	13⅛	–
Rio Algom	61	+½
Royal Bank	32⅛	+½
Royal Trustco A	27½	–
Sceptre Res	7⅝	–
Seagram	43	+⅝
Shell Can A	27⅝	+⅛
Simpson Sears A	–	–
Stelco	29	–
Tech B	14½	−½
Texaco (Canada)	39½	+¼
Thomson News A	36⅞	−⅛
Toronto Dom Bank	18½	+¼
Transalta A	20⅝	+⅛
Trans. Can. Pipe	28	−⅛
Walker (H) Res	25	–
Westcoast Trans.	14½	–
Weston (Geo)	58	–

AUSTRIA

Sept. 14	Price Sch%	+ or −
Creditanstalt	212	.....
Goesser	320	−4
Interunfall	398	..
Landerbank	211	....
Perlmooser	341	..
Steyr Daimler	163	−1
Veitscher Mag.	208	−1

BELGIUM/LUXEMBOURG

Sept. 14	Price Frs.	+ or −
ARBED	1,350	−38
Banq Int A Lux.	4,750	.....
Bekaert B	2,895	+20
Ciment CR	1,995	−25

[illegible]

DENMARK

Sept. 14	Price Kr%	+ or −
Aarhus Olie	549.4	−7
Andelsbanken	315	−5
Baltica Skand	597	−1
CopHandelsbank	289	−11
D. Sukkerfab	798	−8
Danske Bank	310	−12.6
East Asiatic	162	−4
Forende Brygg	1,275	.
Forende Damp	195	+11
GNT Hldg	515.4	...
I.S.S.B.	681	+21
Jyske Bank	605	+4
Novo Ind	3,340	+10
Privatbanken	316	−8.4
Provinsbanken	293	−9
Smidth (F)	268	−8
Sophus Berend	1,048	−33
Superfos	340	−5

FRANCE

Sept. 14	Price Frs.	+ or −
Emprunt 4½% 1973	2,046	−24
Emprunt 7% 1973	9,870	−69
CNE 3%	3,030	+18
Air Liquide	446	+1.5
BIC	598	−8
Bouygues	710	−14
BSN Gervais	1,960	+10
CIT-Alcatel	1,166	−9
Carrefour	1,370	−35
Club Mediter'n	695	−20
CFAO	551	−3
Cie Bancaire	301	−10
Cofimeg	179	−0.7
Creusot Loire	64	−3
Darty	662	−12
Dumez	807	+15
Eaux (Cie Gen)	374.5	−0.5
Elf-Aquitaine	177	−3
Gen. Occidental	694	+4
Imetal	69.5	−1.5
Lafarge Coppee	286.5	−2.3
L'Oreal	1,750	−20
Legrand	1,895	−13
Maisons Phenix	395	−0.2
Matra	1,053	−27
Michelin B	802	−22
Midi (Cie)	1,010	−18
Moet-Hennessy	1,165	−15
Moulinex	78.9	−1.4
Nord Est	47.7	+0.1
Pernod Ricard	712	−5
Perrier	325.1	−4.9

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GERMANY

[illegible]

NETHERLANDS

Sept 14	Price Fls.	+ or −
ACF Holding	162	−1.8
Ahold	172	−1.5
AKZO	77	−0.8
ABN	362	−1
AMEV	126	......
AMRO	60.5	+0.5
Bredero Cert	173	−5
Boskalis Westm	47.8	−0.7
Buhrmann-Tet	46.2	−0.6
Caland Hldgs	34.6	..
Credit Lyon'is Bk	48.1	−1.5
Elsevier-NDU nv	371	−9
Ennia	161.5	−9.5
EuroCom Tst	102	....
Gist Brocades	162.5	..
Heineken	121.8	−1.9
Hoogovens	35.2	−0.3
Hunter Douglas	18.8	....
Int Muller	36.2	−0.7
KLM	155	+1
Naarden	41.9	−0.1
Nat Ned Cert	160.2	+0.8
Ned Cred Bank	32.7	..
Ned Mid Bank	145	......
Nedlloyd	92	
Oce Grinten	208.8	−2.2
Ommeren (Van)	28.4	−0.3
Pakhoed	87.5	+0.3
Philips	47.5	−0.2
Rijn-Schelde	4.2	−0.1
Robeco	313.6	−2.4
Rodamco	127.3	+0.1
Rolinco	305.2	−1.8
Rorento	192.9	+0.1
Royal Dutch	140	+2.6
Unilever	226.5	+4
VMF Stork	77	+1
VNU	105.8	−0.2
West Utr Bank	109.3	−1.2

NORWAY

Sept. 14	Price Kroner	+ or −
Bergens Bank	115	+1
Borregaard	174	+1.5
Christiania Bk	134	+1.5
Creditbank	129	+0.5
Elkem	115	+2
Norsk Data	275	−10
Norsk Hydro	532.5	...

[illegible]

SPAIN

[illegible]

SWEDEN

[illegible]

SWITZERLAND

[illegible]

ITALY

[illegible]

AUSTRALIA

Sept. 14	Price Aust. $	+ or −
ANZ Group	5.4	......
Acrow Aust	1.25	..
A.O.D.	1.08	−0.04
Ampol Pet	2.03	−0.07
Assoc Pulp Pap	1.85	....
Aust Cons Ind	1.57	+0.02
Aust. Guarant	2.4	+0.05
Aust. Nat. Inds	2.75	−0.03
Aust. Paper	2.28	
Bond Hldgs	1.3	−0.05
Boral	3.25	−0.05
Bl'ville Copper	2.7	−0.12
Brambles Inds	2.87	+0.02
Bridge Oil	3.4	−0.15
BHP	12.5	..
CRA	6.16	−0.14
CSR	4.33	−0.03
Carlton & Utd	2.9	−0.12
Castlemaine Tys	4.	−0.05
Coles (G.J.)	3.42	+0.02
Comalco	3.45	
Consolidated Pet	0.46	−0.06
Costain	1.52	+0.02
Dunlop	1.27	−0.01
E.Z. Ind	6.1	−0.02
Elders IXL	4.35	−0.05
Energy Res	1.92	−0.03
Gen Prop Trust	1.78	.....
Griffin Coal	6.5	......
Hardie (J.)	4.05	..
Hartogen Energy	3.1	+0.05
Herald W'y Times	2.8	..
ICI Aust.	2	−0.04
Jimb'lana (50cFP)	0.26	−0.01
Kia Ora Gold	0.28	+0.01
Lend Lease	5.06	..
MIM	4.35	..
Mayne Nikless	2.9	−0.02
Meekatharra Ms	1.35	
Myer Emp	1.63	+0.03
Nat. Aus. Bk.	3.26	+0.01
News	9.3	+0.1
Nicholas Kiwi	2.85	......
North Bkn Hill	3.4	....
Oakbridge	1.3	−0.04
Otter Expl	0.8	....
Pancon	1.78	+0.03
Pioneer Conc	1.83	−0.02
Reckitt & Coln	2.4	.....
Repco	1.2	....
Santos	8.26	−0.14
Smith (H.)	4.1	−0.05
Southland Min'g	0.36	..
Spargos Expl	0.58	−0.09
Shos Natwide	1.98	.....
Tooth	4.12	......
UMAL Cons	2.25	....

[illegible]

HONG KONG

[illegible]

JAPAN

[illegible]

JAPAN (continued)

Sept. 14	Price Yen	+ or −
Konishiroku	645	−9
Kubota	308	−4
Kumagia	440	−1
Kyoto Ceramic	7,520	−80
Maeda Const	510	−3
Makino Milling	1,130	−30
Makita	1,290	−20
Marubeni	283	−1
Marudai	600	−15
Marui	1,050	−20
MEI	1,650	−30
M'ta Elec Works	586	−4
M'bishi Bank	500	...
M'bishi Corp.	509	−4
M'bishi Elec	415	−4
M'bishi Estate	495	−6
MHI	245	+1
Mitsui Co	369	−1
Mitsui Estate	709	−5
Mitsukoshi	360	
NGK Insulators	587	−5
Nihon Cement	198	+5
Nippon Denso	1,520	−30
Nippon Elect	1,480	−20
Nippon Express	267	−1
Nippon Gakki	635	−10
Nippon Kokan	149	−1
Nippon Oil	970	15
Nippon Seiko	588	−2
Nippon Shinpan	652	−3
Nippon Steel	169	−3
Nippon Suisan	353	+4
NTV	6,870	−310
Nippon Yusen	256	+6
Nissan Motor	723	−1
Nisshin Flour	393	−10
Nisshin Steel	148	−2
Nomura	747	−12
Olympus	1,150	+10
Omron Tateisi	1,750	..
Orient Leasing	2,680	+80
Pioneer	3,030	−60
Renown	830	−5
Ricoh	919	+1
Sankyo	772	.....
Sanyo Elect	443	...
Sapporo	371	−4
Sekisui Prefab	617	−15
Seven-Eleven	5,350	..
Sharp	1,420	−10
Shimadzu	610	−5
Shionogi	808	−6
Shiseido	1,080	..
Sony	5,660	−50
Stanley	796	−8
S'tomo Elect	625	−9
S'tomo Marine	213	.....
S'tomo Metal	163	−1

[illegible]

SINGAPORE

[illegible]

SOUTH AFRICA

[illegible]

NOTES — Prices on this page are as quoted on the individual exchanges and are last traded prices. § Dealings suspended. xd Ex dividend. xc Ex scrip issue. xr Ex rights. xa Ex all.

Indices

NEW YORK—DOW JONES

[illegible]

STANDARD AND POORS

[illegible]

N.Y.S.E. ALL COMMON / RISES AND FALLS

[illegible]

MONTREAL / TORONTO

[illegible]

U.S. INDICES: CLOSING VALUES. YESTERDAY'S CANADIAN INDICES: LATEST AVAILABLE

[illegible]

(**) Saturday Sept. 10: Japan Dow (c) TSE (c). Base values of all indices are 100 except Australia All Ordinary and Metals—500; NYSE All Common—50; Standard and Poors—10; and Toronto—1,000; the last named based on 1975. † Excluding bonds. ‡ 400 Industrials. § 400 Industrials plus 40 Utilities, 40 Financials and 20 Transports. c Closed. u Unavailable.

هكذا من الأصل

MARKET REPORT

Equity markets stage technical rally and index closes 4 up at 699.8—Gilts steady

Account Dealing Dates

Option *First Dealings	Declara-tions	Last Dealings	Account Day
Sept 5	Sept 15	Sept 16	Sept 26
Sept 19	Sept 29	Sept 30	Oct 10
Oct 3	Oct 13	Oct 14	Oct 24

*" New-time " dealings may take place from 9.30 am two business days earlier.

London equity markets yesterday rallied from Tuesday's depressed levels, mainly on technical considerations. Despite the further overnight fall on Wall Street and forecasts from leading U.S. economists that interest rates will rise, London share prices improved in thin trading. A forecast that the UK economic recovery is accelerating and a prominent Shell spokesman's remarks that the North Sea contains 50 per cent more oil awaiting development or discovery were helpful factors.

The volume of business in the leaders remained subdued amid rumours that the Government's pending £500m sale of BP shares had been postponed until next Thursday. Small investment demand, however, helped the FT Industrial Ordinary share index to claw back 4 of the previous day's 12.1 fall to close at the day's highest of 699.8.

Company news and bid situations again provided plenty of interest. Glaxo and P & O, made good progress, the former on a reappraisal of the group's Zantac drug prospects in the U.S. and the latter on the announcement that Sterling Guarantee has acquired a 1.17m stake in the Deferred shares.

Overall, however, falls again outnumbered rises in FT-quoted industrials, by 2-to-1 compared with the previous day's 7-to-2.

On the bid front, Mr Albert Taubman received the expected clearance from the Monopolies Commission to bid for Sothebys and announced cash terms of 700p per share, and Plantations were enlivened by James Finlay's bid for Baraoora Tea.

The gilt market marked time ahead of today's applications for the £1bn short-dated tap issue, 10 per cent Treasury 1987, which must be lodged by 10 am. Up to ⅛ easier at the outset, the longs rallied to finish with improvements to ¼, while the shorts retrieved early losses of around ¼ to close ⅛ better in places.

Gold shares remained depressed as the metal price threatened to fall below $400 an ounce. The FT Gold Mines index followed Thursday's drop of 20.3 with a further reaction of 7.4 to 666.8.

Discount Houses attracted limited support. Gerrard and National rose 6 to a peak for the year of 218p, while Cater Allen improved 5 to 365p. Clearing Banks, however, closed a shade easier, where changed.

Insurances announcing interim statements met with contrasting fortunes; Legal & General rising 12 to 484p but Eagle Star falling 5 to 433p, after 427p, the latter on some disappointment with first-half profits growth. Legal's figures subsequently brought in buyers of other Life companies, among which Equity and Law gained 10 to 715p and Prudential 6 to 438p. Hambro Life also improved 6, to 400p.

Metal detection systems manufacturer Goring Kerr made a disappointing market debut: the shares opened at 218p against the placing price of 220p and quickly fell to 203p before closing at 215p.

Trading statements and special situations gave a much-needed boost to business in an otherwise subdued Building sector. AMEC's interim figures were deemed to be disappointing, but the chairman's encouraging statement about prospects stimulated small buying and the shares, particularly dull of late, rallied 6 to 220p. In sharp contrast, Robert M. Douglas dropped 8 to 66p following the annual profits slump and halved dividend. Timber merchants Cakebread Robey firmed 3 to 140p and the A 4 to 57p following the interim figures. Edward Jones gained 4 to a peak of 32p; the company intends to expand its property and development interests and yesterday it was announced that Dr Richard Petty and Mr Nicholas Morris, who last week acquired Centreway Industries' 23.7 per cent stake in the company, had joined the Board as chairman and managing director respectively. The leaders made another drab showing. Blue Circle drifted off to close 5 cheaper at 413p, while RMC, particularly dull on Tuesday, softened a penny more to 330p; the latter's interim results are due on September 21.

A shade firmer at one stage helped by the upsurge in the Glaxo share price, ICI reverted to 526p in the absence of worthwhile interest.

Strong and Fisher dip

Woolworth moved up 7 in a restricted market to 285p, influenced by the much reduced interim loss. Other Store leaders were rarely altered but, Home Charm, despite the chairman's forecast of a record year, slipped 3 to 123p. Selincourt featured speculative issues with a rise of 1¼ to 16¾p.

Still in response to vastly improved first-half profits, Garnar Booth opened at a 1983 high of 106p but closed only the turn better at 103p. Strong and Fisher, Tuesday's other high-flier, weakened abruptly to 52p before setling a net 8 down at 54p.

Leading Electricals staged a modest revival. Reports of an analysts' meeting prompted late firmness in Thorn EMI which ended 13 to the good at 605p. Plessey, 204p, and GEC, 198p, both edged up 3, while Cable and Wireless, particularly dull of late, rallied 9 to 479p. Air Call advanced 20 to 360p in response to the confident interim statement and G. H. Scholes closed 7 up at 480p, after 485p, following good preliminary figures. Systems Design hardened 5 to 500p on the increased half-year profits, but poor interim figures left JSD Computers 4 down at 31p, after 30p. Pifco, in contrast, rose 12 to 175p in a difficult market.

Staveley Industries fell 23 to 225p on news that the Monopolies Commission will be investigating the supply of white salt in the UK which will involve the company's wholly-owned subsidiary British Salt. Elsewhere in the Engineering sector, Jones and Shipman lost 4 to 22p on the bigger half-year loss and omission of the interim dividend. Revived offerings left Mining Supplies 3 cheaper at 31p, while APV eased 10 to 340p in a limited market. In contrast, Acrow A edged up 3 to 53p and the A a penny to 17p. Crown House hardened a shade to 88p following the sale of its wholly-owned subsidiary Best and May to Standard Telephones and Cables for £502,000.

Food Retailers turned better although business remained relatively thin. Associated Dairies stood out with a rise of 6 to 172p, while J. Sainsbury, unscathed in Tuesday's shake-out, edged up 3 to a high for the year of 428p. Avana firmed 4 to 477p, but Hazlewood, a thin market, shed 10 to 485p. Danish Bacon dropped 6 to 54p following the poor interim results.

Hotels and Caterers were featured by Wheelers Restaurants, which jumped 45 to a 1983 peak of 410p on speculative interest.

BTR down again

Apart from Glaxo, up 30 at 785p, after 800p, miscellaneous Industrial leaders provided few features with the exception of Reed International, which fell 8 to 304p. Fallen blue chip Turner and Newall found support ahead of today's interim statement and closed 3 up at 59p. Trading announcements brought cheer to J. Hewitt and Son (Fenton), 6 up at 102p, and Staffordshire Potteries, 2 better at 52p, after 54p, but lowered Oriflame 50 to 900p and Sharna Ware 4 to 80p. Comment on Tuesday's half-time results and guarded views about the full-year outcome left BTR 10 down at 514p, after 510p. Sotheby's rose 13 to 685p and held that level after late news of the 700p cash per share bid from Taubman UK Investments. Carlton Industries also improved after-hours, rising 5 to 115p in a thin market following the announcement of much better interim results.

Profit-taking in the wake of the impressive interim figures clipped a penny from Television Services International to 25p.

John Waddington jumped 11 to 261p on the announcement that BPCC, through Pergamon, had increased its stake in the company to 19.9 per cent; less than a week ago BPCC conceded defeat in its hotly-contested £18m bid for the packaging and games group. BPCC shed 2 to 106p.

Advertising agencies lacked support, Geers Gross losing 4 to 156p and Saatchi and Saatchi 5 to 490p. Among Newspapers, Fleet Holdings hardened a penny to 127p following comment on the results.

Significant movements in Properties were confined to secondary issues. Estate Property Investment firmed 3 to 135p on further consideration of the annual results, but Trust Securities came under fresh pressure on worries about the Stockley Park development and shed 5 to 35p. Gilbert House firmed a penny to 23p following an investment recommendation, but Five Oaks shed 1½ to 22½p.

P. & O. Deferred were briskly traded and rose 8 to 221p following news that Sterling Guarantee had acquired 1.17m deferred shares in the company. Sterling Guarantee eased 1½ to 38½p. British and Commonwealth were also noteworthy in Shippings, rising 25 further to 860p, with Caledonia Investment improving 30 to 760p in sympathy.

Oils rally

Talk that the Government sale of BP shares had been put off until next week and the Chancellor's decision to change the petroleum revenue tax conditions following BP's proposed sale of part of the group's Forties Field interests failed to halt a useful recovery in Oils. Hopes of a favourable outcome of today's OPEC meeting probably assisted sentiment and BP led the way with a rally of 10 to 432p after Tuesday's drop of 14, while Shell closed 12 up at 628p. Burmah ended 4 to the good at 184p, after 187p, following the interim figures; a large buyer was reported to have been in the market. Britoil improved 4 to 242p, while Tricentrol, an old bid favourite, gained 12 to 234p. Among the Irish exploration stocks, Atlantic Resources, 365p, and Eglington, 265p, picked up 19 apiece.

Baraoora Tea were marked up 50 to 200p following the agreed bid from James Finlay, a penny harder at 130p. Among other Plantations, Anglo-Indonesian went ex the rights issue at 105p with the new nil-paid shares quoted at 12½p premium.

Golds under pressure

Another poor performance by precious metal prices — at one point bullion threatened to fall below the crucial $400 an ounce level — led to renewed heavy selling throughout mining markets.

Bullion dipped to $401 but rallied to close a net $3.5 off at $403.375 — a two-day decline of $11.

South African Golds gave further ground throughout the session in the face of sustained selling from all the Continental dealing centres, Johannesburg and in late trading in New York.

The selling was apparently well absorbed, but the Gold Mines index sustained a loss of 7.4 to extend the decline over the past two days to one of 27.7 at 666.8.

Heavyweights were featured by Hartbeest, which dropped £2 to £55⅝, while President Steyn dipped ¾ to £36½, Western Deep ⅝ to £40¼ and Randfontein £1½ to £99¼.

The Financials sector failed to attract any substantial interest, but South Africans were marked down in line with the trend in Golds.

Interest in Australians was usually confined to profit-taking in the speculative gold issues. Heavy losses in overnight domestic markets and the marked weakness in bullion prompted selling throughout the list of top-quality and second-line issues. Metana were a notable weak spot and finally 25 cheaper for a two-day loss of 45 at 142p. Metana were additionally weakened by widespread rumours of a disappointing progress report concerning the company's gold interests. Ivanhoe eased a penny more to 15½p.

Platinums were featured by heavy West German selling of Rustenburg, which dropped 70 to 790p.

Traded Options' turnover was down again with total contracts amounting to 1,742 against Tuesday's 1,882. British Petroleum and P. and O. were the two main contributors, the former recording 228 contracts, 125 of which were calls. P & O contributed 211 contracts, mainly all calls.

FINANCIAL TIMES STOCK INDICES

	Sept. 14	Sept. 13	Sept. 12	Sept. 9	Sept. 8	Sept. 7	year ago
Government Secs. ...	80.82	†80.82	80.82	79.98	79.97	79.93	77.66
Fixed Interest.........	83.09	83.11	83.08	82.42	82.38	82.32	78.73
Industrial Ord..........	699.8	695.8	707.9	704.9	713.6	712.4	576.2
Gold Mines...............	666.8	674.2	694.5	691.0	683.6	684.5	564.0
Ord. Div. Yield...........	4.88	4.89	4.82	4.83	4.76	4.76	5.09
Earnings, Yld.% (full)	96.3	9.77	9.62	9.65	9.51	9.56	11.08
P/E Ratio (net) (*).....	12.98	12.76	12.96	12.92	13.11	13.02	10.85
Total bargains.	18,624	19,744	19,184	18,020	18,730	18,220	17,066
Equity turnover £m.	—	182.92	190.32	190.52	213.00	253.76	147.50
Equity bargains.......	—	15,832	16,115	14,476	14,927	15,536	12,867
Shares traded (ml)...	—	115.2	128.9	121.2	127.3	221.5	91.8

10 am 696.9. 11 am 697.4. Noon 697.6. 1 pm 697.2
2 pm 697.2. 3 pm 698.2.
Basis Govt. Secs. 15/10/26. Fixed Int. 1928. Industrial 1/7/35.
Gold Mines 12/10/58. SE Activity 1974.
Latest Index 01-246 8026.
Nil=12.20.
† Corrected.

HIGHS AND LOWS

	1983 High	1983 Low	Since Compilat'n High	Since Compilat'n Low
Govt. Secs ..	83.60 (15/8)	77.00 (24/1)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int...	84.74 (15/6)	79.03 (1/3)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord	740.4 (22/8)	598.4 (12/1)	740.4 (22/8/83)	49.4 (26/6/40)
Gold Mines*	734.7 (15/2)	531.5 (28/3)	734.7 (15/2/83)	43.5 (26/10/71)

S.E. ACTIVITY

	Sept. 13	Sept. 12
—Daily Gilt Edged Bargains..	165.3	169.7
Equities Bargains	102.6	104.4
Value	369.7	384.7
5-day Avrge Gilt-Edged Bargains...	149.1	148.1
Equities Bargains ...	102.2	100.1
Value.........	416.6	429.4

RISES AND FALLS YESTERDAY

	Rises	Falls	Same
British Funds	31	14	56
Corpns., Dom. and Foreign Bonds ...	16	7	55
Industrials	168	332	872
Financial & Props.	73	121	323
Oils	26	24	62
Plantations	—	3	18
Mines	18	69	77
Others	41	70	83
Totals	373	640	1,546

OPTIONS

First Deal-ings	Last Deal-ings	Last Declara-tion	For Settle-ment
Sept 12	Sept 23	Dec 8	Dec 19
Sept 26	Oct 7	Dec 22	Jan 3
Oct 10	Oct 21	Jan 5	Jan 16

For rate indications see end of Share Information Service

First Deal-ings	Last Deal-ings	Last Declara-tion	For Settle-ment
Sept 12	Sept 23	Dec 8	Dec 19
Sept 26	Oct 7	Dec 22	Jan 3
Oct 10	Oct 21	Jan 5	Jan 16

For rate indications see end of Share Information Service

Stocks to attract money for call included Mersey Docks, Inter-City, A. G. Stanley, Yelverton, ICL, Woodside, Montfort Knitting, I. and J. Hyman, Premier Consolidated, Jefferson Smurfit, First National Finance, London and Liverpool, Standard and Industrial Group, Tace and Selincourt. No puts were reported but double options were arranged in Fleet Holdings and Metal Sciences.

ACTIVE STOCKS

Above average activity was noted in the following stocks yesterday.

Stock	Closing price	Day's change
AMEC	220	+ 6
BTR	514	−10
Burmah Oil	184	+ 4
De Beers Dfd	625	−15
Eagle Star	433	− 5
Legal and General ...	484	+12
Metana	142	−25
P. & O. Dfd	221	+ 8
Rustenburg Plat	790	−70
Selincourt	16¾	+ 1¼
Strong and Fisher ...	54	− 8
Thorn EMI	605	+13

TUESDAY'S ACTIVE STOCKS

Based on bargains recorded in Stock Exchange Official List.

Stock	No. of changes	Tues. close	Day's change
Royal Worcstr.	23	315	+40
Brit. Aerospace	20	190	+15
Oceonics 10¼%	17	109	—
Glaxo	14	755	−15
Strong & Fisher	13	62	+12
Beecham	12	320	−12
Bowater	12	210	+ 4
BTR	12	524	− 8
GEC	12	195	− 3
Cdby Schwps	10	100	—
Burmah Oil ...	9	180	—
ICI	9	526	− 4
Refuge Assur ..	9	404	− 4
Tate & Lyle Nw	9	44pm	− 8

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

EQUITY GROUPS & SUB-SECTIONS — Figures in parentheses show number of stocks per section — Wed Sept 14 1983: Index No., Day's Change %, Est. Earnings Yield % (Max.), Gross Div. Yield % (ACT at 30%), Est. P/E Ratio (Net); Tues Sept 13, Mon Sept 12, Fri Sept 9, Thurs Sept 8 Index No.; Year ago (approx.) Index No.

1 CAPITAL GOODS (207) · 2 Building Materials (23) · 3 Contracting, Construction (30) · 4 Electricals (36) · 5 Engineering Contractors (10) · 6 Mechanical Engineering (64) · 8 Metals and Metal Forming (10) · 9 Motors (18) · 10 Other Industrial Materials (16) · 21 CONSUMER GROUP (199) · 22 Brewers and Distillers (23) · 25 Food Manufacturing (22) · 26 Food Retailing (13) · 27 Health and Household Products (8) · 29 Leisure (22) · 32 Newspapers, Publishing (14) · 33 Packaging and Paper (14) · 34 Stores (48) · 35 Textiles (22) · 36 Tobaccos (3) · 39 Other Consumer (10) · 41 OTHER GROUPS (79) · 42 Chemicals (15) · 44 Office Equipment (4) · 45 Shipping and Transport (13) · 46 Miscellaneous (43) · 49 INDUSTRIAL GROUP (485) · 51 Oils (15) · 59 500 SHARE INDEX · 61 FINANCIAL GROUP (123) · 62 Banks (6) · 63 Discount Houses (9) · 65 Insurance (Life) (9) · 66 Insurance (Composite) (10) · 67 Insurance Brokers (7) · 68 Merchant Banks (13) · 69 Property (53) · 70 Other Financial (17) · 71 Investment Trusts (106) · 81 Mining Finance (4) · 91 Overseas Traders (15) · 99 ALL-SHARE INDEX (750)

FIXED INTEREST — PRICE INDICES: British Government 1 5 years, 2 5-15 years, 3 Over 15 years, 4 Irredeemables, 5 All stocks, 6 Debentures and Loans, 7 Preference — AVERAGE GROSS REDEMPTION YIELDS: British Government Low, Medium, High Coupons 5, 15, 25 years; Irredeemables; Debs & Loans 5, 15, 25 years; Preference

† Flat yield. Highs and lows record, base dates, values and constituent changes are published in Saturday issues. A list of constituents is available from the Publishers, The Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 15p, by post 28p.

EUROPEAN OPTIONS EXCHANGE

Series · Nov. Vol. Last · Feb. Vol. Last · May Vol. Last · Stock — GOLD C/P, SILV C/P, AKZO C/P, AMRO C, HEIN C, HO C/P, KLM C/P, NN C/P, PHIL C/P, RD C/P, UNIL C/P, EOE P, 12½ NL 81 87-91, 11¼ NL 82 88-92, 9½ NL 83 87-90, 7¼ NL 82 89-93, 7½ NL 83 87-90, D FL C

TOTAL VOLUME IN CONTRACTS: 10,835

A=Asked B=Bid C=Call P=Put

RECENT ISSUES

EQUITIES

Issue price p · Amount paid up · Latest Renunc. date · 1983 High Low · Stock · Closing price p · + or − · Net Div. · Times Covered · Gross Yield · P/E Ratio

Issue price	Amount paid up	Latest Renunc. date	1983 High	1983 Low	Stock	Closing price	+ or −
10	F.P.	—	30/9	13	11¼	Sheraton Secs. 10p	13
95	F.P.	—	14/10	143	126 Steinberg 10p.	140	
310	Nil	—	25/10	58pm	44pm Tate & Lyle £1	44pm	
175	F.P.	—	30/9	240	207 Unitech 10p.	210	+6
100	Nil	—	16/9	125pm	102pm United Parcels 10p	125pm	
180	Nil	21/9	21/10	53pm	50pm Webber Electro 12½p	55pm	
$US1.72	Nil	—	—	115pm	65pm Weeks (B'muda) 10cts.	115pm	
$US1.72	Nil	—	—	130pm	80pm Do. Aust. 10cts	130pm	

FIXED INTEREST STOCKS

"RIGHTS" OFFERS

Renunciation date usually last day for dealing free of stamp duty. b Figures based on prospectus estimates. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. g Assumed dividend and yield. u Forecast dividend cover based on previous year's earnings. F Dividend and yield based on prospectus or other official estimates for 1983. H Dividend and yield based on prospectus or other official estimates for 1983-84. Q Gross. ‡ Cover allows for conversion of shares not now ranking for dividend or ranking only for restricted dividends. ⊕ Figures or report awaited. § Placing price. p Pence unless otherwise indicated. ¶ Issued by tender. ‖ Offered to holders of ordinary shares as a "rights." ** Issued by way of capitalisation. §§ Reintroduced. ¶¶ Issued in connection with reorganisation merger or take-over. ‖‖ Introduction. □ Issued to former preference holders. ■ Allotment letters (or fully-paid). ● Provisional or partly-paid allotment letters. ★ With warrants. ‡ Effective issue price after scrip. † Formerly dealt in under special rule. †† Dealt in under Rule 163 (3).

NEW HIGHS AND LOWS FOR 1983

NEW HIGHS (32)

BRITISH FUNDS (1)
Treas. 10½pc 1989
LOANS (3)
Nationwide 9 15/16pc 31.10.83 · Nationwide 10⅞pc 30.7.84
Do. 9⅞pc 28/11/83
CANADIANS (1)
Toronto-Dom. Bank
BANKS (3)
ANZ · Gerrard & National
Bank Leumi (U.K.)
BUILDINGS (2)
Benford Concrete · Jones (Edward)
STORES (2)
Boardman (K. O.) · Combined English
FOODS (3)
Linfood · Sainsbury (J.)
Paterson Jenks
HOTELS (1)
Wheeler's Restnts.
INDUSTRIALS (8)
Copydex · Portals
Dwek Group · Sotheby Parke Bernet
Hartons Group · Standard Fireworks
Marling Inds. · Wade Potteries
NEWSPAPERS (1)
Intl. Thomson
SHOES (1)
Garnar Booth
TRUSTS (3)
Fleming Japanese · G.T. Japan
Do. B
OILS (2)
Burmah Oil · Ohio Res.
MINES (1)
Allstate Explrtn.

NEW LOWS (19)

BANKS (1)
Hongkong & Shanghai
BREWERS (3)
Bell (A.) · Morland
Do. 9½pc Cnv. '99-01
BUILDINGS (1)
RMC Group
STORES (1)
De Brett (Andre)
ELECTRICALS (3)
CPU Computers · U.E.I.
Imm. Bus. Systems
ENGINEERING (3)
Hawker Siddeley · Staveley Inds.
Mining Supplies
INDUSTRIALS (3)
Crest Nicholson · Moben Group
Johnson Matthey
LEISURE (1)
Intervision Video
PROPERTY (2)
Speyhawk · Thames Inv. & Secs.
MINES (1)
Admiral Mines

LONDON TRADED OPTIONS

CALLS · PUTS — Option · Oct. Jan. Apr. — Brit. Petroleum (*432), Cons. Goldfields (*518), Courtaulds (*96), Commercial Union (*169), G.E.C. (*198), Grand Met. (*322), I.C.I. (*524), Land Securities (*312), Marks & Spencer (*202), Shell Transport (*628), Barclays Bank (*492), Imperial Group (*117), LASMO (*313), Lonrho (*103), P. & O. (*222), Racal (*223), R.T.Z. (*652), Vaal Reefs (*$129), Beecham (*323), Guest Keen (*174)

Sept. 14 Total Contracts 1,742 Calls 1,055 Puts 687
* Underlying security price.

FT LONDON SHARE INFORMATION SERVICE

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

1983 High	Low	Stock	Price £	+ or –	Yield Int.	Red.
102½	100½	Exch 13½pc '83	100½	.....	13.42	9.52
100¼	98½	Exch 10pc 1983	100¼	.....	9.99	9.36
99¼	96¼	Funding 5½pc '82-84‡‡	99⅛	.....	5.55	8.04
101¼	99½	Exch. 11¼pc 1984	100½	–⅛	11.16	9.19
104⅝	102⅛	Exchequer 14pc 1984	102½	–⅛	13.65	9.91
95½	92½	Exch. 3pc 1984	95⅛	.....	3.15	9.37
102½	100½	Treasury 12pc 1984	101½xd	.....	11.77	9.97
107½	104½	Treasury 15pc 1985	105½	–⅛	14.16	10.40
107	101½	Exch 12pc Cnv. '85	102½xd	–⅛	11.70	10.20
92¼	88⅝	Treasury 3pc 1985	92¼	.....	3.25	8.00
102½	99⅝	Treasury 11½pc 1985	101½	.....	11.31	10.41
102	95	Treas 8¾pcCnv '85	98½	+⅛	8.91	9.75
103⅝	100⅛	Exch. 12¼pc 1985	102½	.....	11.91	10.71
102½	99½	Exch 11¾pc '86	101½	.....	10.01	10.85
42½	40	Tr. 10pc Cnv '86 (£40pd)	42½	.....	10.00	10.02
88½	85⅝	Treasury 3pc 1986	87⅛	.....	10.56	8.46
101½	97½	Exch 10½pc Cv '86	99½	–⅛	10.55	10.72
103½	100½	Treasury 12pc '86	102½	–⅛	11.75	11.06
95⅛	94⅝	Treasury 8¾pc '84-86‡‡	95⅛	.....	8.91	10.40
114	103¼	Treas. 12¼pc '86 Cnv.	108	+¼	11.43	8.96
109½	105½	Exch. 14pc 1986	106½	.....	13.11	11.31
107¾	103⅝	Exch. 13¼pc 1987	105½	.....	12.61	11.35
98¼	95⅞	Tr 10¼pc Cv '87	98½	.....	10.46	10.92
84½	80¼	Exchequer 2½pc 1987	81½	.....	3.07	8.84
100½	95⅞	Exch. 10½pc 1987	98½xd	.....	10.71	11.18
93¼	88⅛	Funding 6½pc '85-87‡‡	88½	.....	7.35	10.37
—	—	Treas 10pc '87 (£20pd)#	£97	.....	10.31	11.00
86	80⅞	Treasury 3pc 1987	81½	.....	3.68	8.78
104⅝	99⅞	Treas. 12pc 1987	101½	+⅛	11.87	11.44
93¼	89⅞	Treasury 7¼pc '85-88‡‡	90⅛	.....	8.60	10.61
101½	95½	Exch 10½pc '88	97½	+⅛	10.80	11.23
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Five to Fifteen Years

1983 High	Low	Stock	Price £	+ or –	Yield Int.	Red.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Over Fifteen Years

1983 High	Low	Stock	Price £	+ or –	Yield Int.	Red.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Undated

1983 High	Low	Stock	Price £	+ or –	Yield Int.	Red.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Index-Linked

1983 High	Low	Stock	Price £	+ or –	(1)	(2)
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Prospective real redemption rate on projected inflation of (1) 10% and (2) 5%.

INT. BANK AND O'SEAS GOVT. STERLING ISSUES

1983 High	Low	Stock	Price £	+ or –	Yield Int.	Red.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

CORPORATION LOANS

1983 High	Low	Stock	Price £	+ or –	Yield Int.	Red.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

COMMONWEALTH AND AFRICAN LOANS

1983 High	Low	Stock	Price £	+ or –	Yield Int.	Red.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

LOANS

Public Board and Ind.

1983 High	Low	Stock	Price £	+ or –	Yield Int.	Red.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

LOANS—continued

Financial

1983 High	Low	Stock	Price £	+ or –	Yield Int.	Red.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Building Societies

1983 High	Low	Stock	Price £	+ or –	Yield Int.	Red.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

FOREIGN BONDS & RAILS

1983 High	Low	Stock	Price £	+ or –	Div. %	Red. Yield
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

AMERICANS

1983 High	Low	Stock	Price £	+ or –	Div. Gross	Cvr	Y'ld Gr's
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

CANADIANS

1983 High	Low	Stock	Price £	+ or –	Div. Gross	Cvr	Y'ld Gr's
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

BANKS, H.P. & LEASING

1983 High	Low	Stock	Price	+ or –	Div. Net	Cvr	Y'ld Gr's	P/E
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

BANKS—Continued

1983 High	Low	Stock	Price	+ or –	Div. Net	Cvr	Y'ld Gr's	P/E
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Hire Purchase, Leasing, etc.

1983 High	Low	Stock	Price	+ or –	Div. Net	Cvr	Y'ld Gr's	P/E
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

BEERS, WINES & SPIRITS

1983 High	Low	Stock	Price	+ or –	Div. Net	Cvr	Y'ld Gr's	P/E
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

BUILDING INDUSTRY, TIMBER AND ROADS

1983 High	Low	Stock	Price	+ or –	Div. Net	Cvr	Y'ld Gr's	P/E
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

CHEMICALS, PLASTICS

1983 High	Low	Stock	Price	+ or –	Div. Net	Cvr	Y'ld Gr's	P/E
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

CHEMICALS, PLASTICS—Cont.

1983 High	Low	Stock	Price	+ or –	Div. Net	Cvr	Y'ld Gr's	P/E
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

DRAPERY AND STORES

1983 High	Low	Stock	Price	+ or –	Div. Net	Cvr	Y'ld Gr's	P/E
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

ELECTRICALS

1983 High	Low	Stock	Price	+ or –	Div. Net	Cvr	Y'ld Gr's	P/E
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

ELECTRICALS—Continued

1983 High	Low	Stock	Price	+ or –	Div. Net	Cvr	Y'ld Gr's	P/E
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

ENGINEERING MACHINE TOOLS

1983 High	Low	Stock	Price	+ or –	Div. Net	Cvr	Y'ld Gr's	P/E
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

FOOD, GROCERIES, ETC.

1983 High	Low	Stock	Price	+ or –	Div. Net	Cvr	Y'ld Gr's	P/E
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

FOOD, GROCERIES—Cont.

1983 High	Low	Stock	Price	+ or –	Div. Net	Cvr	Y'ld Gr's	P/E
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

HOTELS AND CATERERS

1983 High	Low	Stock	Price	+ or –	Div. Net	Cvr	Y'ld Gr's	P/E
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

INDUSTRIALS (Miscel.)

1983 High	Low	Stock	Price	+ or –	Div. Net	Cvr	Y'ld Gr's	P/E
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

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INDUSTRIALS—Continued

[illegible]

INSURANCES

[illegible]

LEISURE

[illegible]

LEISURE—Continued

[illegible]

MOTORS, AIRCRAFT TRADES

Motors and Cycles

[illegible]

Commercial Vehicles

[illegible]

Components

[illegible]

Garages and Distributors

[illegible]

NEWSPAPERS, PUBLISHERS

[illegible]

PAPER, PRINTING ADVERTISING

[illegible]

PROPERTY

[illegible]

PROPERTY—Continued

[illegible]

SHIPPING

[illegible]

SHOES AND LEATHER

[illegible]

SOUTH AFRICANS

[illegible]

TEXTILES

[illegible]

TOBACCOS

[illegible]

TRUSTS, FINANCE, LAND

Investment Trusts

[illegible]

INVESTMENT TRUSTS—Cont.

[illegible]

Finance, Land etc.

[illegible]

OIL AND GAS

[illegible]

OIL AND GAS—Continued

[illegible]

OVERSEAS TRADERS

[illegible]

PLANTATIONS

Rubbers, Palm Oil

[illegible]

Teas

[illegible]

MINES

Central Rand

[illegible]

Eastern Rand

[illegible]

Far West Rand

[illegible]

O.F.S.

[illegible]

Finance

[illegible]

Diamond and Platinum

[illegible]

Central African

[illegible]

MINES—continued

1983 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's
		Australians					
28½	13½	♥ACM 20c	17		—	—	—
43	32	Allstate Explo NL	43	+3	—	—	—
25	11	Balmoral Resources	17		—	—	—
60	37	♥Black Hill Mins.	54	–2	—	—	—
85	51	♥Bond Corp	79	+1	gQ10c	2.3	7.6

[illegible]

Tins

[illegible]

Miscellaneous

[illegible]

NOTES

[illegible]

REGIONAL AND IRISH STOCKS

The following is a selection of regional and Irish stocks, the latter being quoted in Irish currency.

				IRISH		
				Nat 9¾% 84/89	£87⅛	..
				Fin. 13% 97/02	£95½	
Albany Inv. 20p	62			Alliance Gas	88	
Bdg'wtr. Est. 50p	275			Arnott	205	
Craig & Rose £1	£10½			Carroll (P.J.)	110	
Finlay Pkg 5p	33			Concrete Prods	72xd	
Graig Ship £1	22	+1		Heiton (Hldgs.)	16	
Higsons Brew.	87	–1		Irish Ropes	33	
Holt (Jos) 25p	910			Jacob	81	
I O M. Stm £1	147			T M G	68	
Pearce (C. H.)	500			Unidare	72	

OPTIONS

3-month Call Rates

Industrials		House of Fraser	26	Utd. Drapery	14
Allied-Lyons	15	I.C.I.	45	Vickers	12
BOC Grp	22	"Imps"	11	Woolworth Hld	30
B S R	20	I C L	8½		
Babcock	18	Ladbroke	22	**Property**	
Barclays Bank	45	Legal & Gen.	45	Brit Land	8½
Beecham	32	Lex Service	36	Cap Counties	15
Blue Circle	40	Lloyds Bank	48	Land Sec	30
Boots	20	"Lofs"	3½	MEPC	22
Bowaters	24	London Brick	10	Peachey	16
Brit. Aerospace	19	Lucas Inds.	18	Samuel Prop.	12
B A T	24	"Mams"	12	Town & City	5
Brown (J.)	4	Mrks & Spncr	20		
Burton Ord	35	Midland Bank	40	**Oils**	
Cadburys	11	N E I	10	Brit Petroleum	40
Courtaulds	10	Nat West Bank	55	Burmah Oil	19
Debenhams	14	P & O Dfd	21	Charterhall	8
Distillers	22	Plessey	18	KCA	7
Dunlop	6	Racal Elect	45	Premier	6½
Eagle Star	45	R H M	7	Shell	55
F N F C	6	Rank Org Ord	20	Tricentrol	22
Gen Accident	45	Reed Intnl	32	Ultramar	68
Gen. Electric	20	Sears	8½		
Glaxo	75	T I	16	**Mines**	
Grand Met	32	Tesco	16		
G U S 'A'	50	Thorn EMI	55	Charter Cons	30
Guardian	50	Trusthouse	18	Cons. Gold	60
G K N	18	Turner & Newall	7	Lonrho	10
Hawker Sidd	32	Unilever	70	Rio T Zinc	65

A selection of Options traded is given on the London Stock Exchange Report page

"Recent Issues" and "Rights" Page 39

Authorised Units—continued

Offshore and Overseas—continued

Insurances—continued

FT UNIT TRUST INFORMATION SERVICE

AUTHORISED UNIT TRUSTS

INSURANCES

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INSURANCE & OVERSEAS MANAGED FUNDS

Barclays Life Assur. Co. Ltd.—cont.

Income Accum.	113.0	119.0	−0.2	—
Do Initial	110.0	115.8	−0.2	—
Man Pens Accum	241.5	254.3	...	—
Do Initial	200.3	210.9	...	—
Gilt-Edg.Pens Accum	207.1	218.0	...	—
Do. Initial	165.3	174.0	...	—
Money Pens Accum.	185.3	195.1	...	—
Do. Initial	149.9	157.8	...	—

Black Horse Life Ass. Co. Ltd.
71, Lombard St., EC3. 01-623 1288

Black Horse Man. Fd.	231.39		...	—
Managed Inv. Fd.	156.88	165.14	...	—
Property Fd.	150.30	158.22	...	—
Fixed Interest Fd.	141.61	149.07	...	—
Cash Fd.	135.42	142.55	...	—
Income Fd.	172.51	181.59	...	—
Extra Income Fd.	162.92	171.50	...	—
Worldwide Growth Fd.	229.60	241.69	...	—
Balanced Fd.	173.22	182.34	...	—
Smlr Co's & Recy. Fd	207.34	218.26	...	—
Int. Technology Fd	261.70	275.48	...	—
Nth. Amer. & Gen. Fd.	164.70	173.37	...	—
Energy Int. Fd	107.92	113.60	...	—
Pacific Basin Fund	125.75	132.37	...	—

British National Life Assurance Co. Ltd.
Harlands Rd, Haywards Heath. 0444 414111

Managed	108.3	114.0	...	—
Property	106.2	111.8	...	—
Equity	95.8	100.8	...	—
International	126.9	133.6	...	—
Fixed Interest	98.5	103.7	...	—
Deposit	98.7	103.8	...	—
Managed Pen. Cap	109.4	115.2	...	—
Property Pens. Cap.	105.6	111.2	...	—
Equity Pens Cap.	92.3	97.1	...	—
Intnl. Pens. Cap.	133.2	140.2	...	—
Fixed Int. Pens. Cap.	96.8	102.9	...	—
Deposit Pens. Cap.	97.0	102.1	...	—

Canada Life Group
2-6, High St., Potters Bar, Herts. P. Bar 51122

Equity Gth Aug 30		96.2	...	—
Rtmt. Fed. Aug 6		255.4	...	—
Managed Pen Fund	175.5	184.7	...	—
Property Pen Fund	113.8	119.8	...	—
Index Lnkd Pen Fund	110.5	116.3	...	—

G.T. Management Ltd.
16 Finsbury Circus, Lond. EC2M 7DJ 01-628 8131

G.T. Plan Bond Fund	118.5	124.8	+0.4	—
GT Pln High Yld Fnd	117.7	123.9	...	—
GT Plan Far East Fnd	113.8	119.8	...	—
GT Pln N Am Fund	145.0	152.7	...	—
GT Pln UK&G.E. Fnd	132.8	139.8	...	—
GT Pln Wrldwde Fnd.	136.5	143.7	...	—
GT Pension Bnd Fnd.	127.9	134.7	+0.5	—
GT Pen High Yld Fd	134.3	141.4	...	—
GT Pen Far East Fd	138.5	145.8	...	—
GT Pen N. Am. Fd	213.0	224.3	...	—
GT Pen UK & G.E. Fd.	154.2	162.4	...	—
GT Pen Worldwide Fd.	145.9	153.6	...	—

Assicurazioni GENERALI S.p.A.
117, Fenchurch St., EC3M 5DY. 01-488 0733

Intl. Managed Bond	164.2	172.9	...	—

General Portfolio Life Ins. C. Ltd.
Crossbrook St., Cheshunt, Herts. Waltham X 31971

Portfolio Fd. Acc.		247.1	...	—
Portfolio Fd. Init.		205.8	...	—
Portfolio Fd. Cap.		236.6	...	—
Investment A cts	247.0	260.1	...	—

Growth & Sec. Life Ass. Soc. Ltd.
48, London Fruit Exchange, E1 6EU 01-377 1122

Flexible Finance		1,526	...	—
Landbank Secs.		66.15	...	—
Landbank Scs. Acc.	185.6	190.4	+1.9	—
G. & S. Super Fd.		£11.376	...	—

Guardian Royal Exchange
Royal Exchange, E.C.3. 01-283 7101
Guardian Assurance

Property Bonds	302.6	315.4	...	—

GRE Linked Assurance Limited

Managed Initial	207.5	218.4	...	—
Do. Accum.	229.9	242.0	+0.1	—
Equity Initial	259.7	273.3	+0.1	—
Do. Accum	287.7	302.8	+0.2	—
Fixed Int. Initial	191.0	201.1	−0.4	—
Do. Accum.	211.6	222.8	−0.4	—

London A'deen & Nthn. Mtl. Assur. Ltd.
129 Kingsway, London, WC2B 6NF. 01-404 0393

'Asset Builder'	64.8	68.7	...	—

London Indemnity & Gnl. Ins. Co. Ltd
18-20, The Forbury, Reading 583511.

Money Mngr Sept 15.	61.2	66.0	−0.1	—
MM Flexible Sept 6	52.6	55.4	...	—
Fixed Interest Sept 1	54.7	57.7	...	—

London Life Linked Assur. Ltd.
100, Temple St., Bristol, BS1 6EA. 0272-279179
See adjacent Page Mon-Fri and Stock Exchange Page Sat.

London & Manchester Gp.
Winslade Park, Exeter EX5 1DS. 0392 52155

Invest. Tst. Fd. Cap.	294.2	—	−0.5	—
Invest. Tst. Fd. Acc.	320.4	—	−0.5	12.3
Property Fund Cap	117.1	—	—	—
Property Fund Acc.	123.2	—	...	4.2
Flexible Fund Cap.	180.5	—	−1.5	—
Flexible Fund Acc.	189.9	—	−1.5	4.3
Fixed Int. Fd. Cap.	137.3	—	...	—
Fixed Int. Fd. Acc.	144.7	—	...	—
Gtd. Deposit Fd. Cap	138.8	—	...	—
Gtd. Deposit Fd. Acc.	145.1	—	...	—
Equity Fund Cap.	128.9	—	−1.2	—
Equity Fund Acc.	135.3	—	−1.2	—
International Fd. Cap.	138.4	—	−0.5	—
International Fd. Acc.	145.2	—	−0.5	—
Capital Gwth. Fd.	417.0	—	−5.0	—
Moneymaker Fund	167.4	—	−1.1	—
Exempt Inv Tst Cap	412.5	—	−0.3	—
Exempt Inv Tst Acc.	427.4	—	−0.2	—
Exempt Inv Tst NS	425.1	—	−0.3	8.3
Exempt Ppty Cap	188.7	—	...	—
Exempt Ppty Acc.	195.7	—	+0.1	—

Property Growth Assur. Co. Ltd.
Leon House, Croydon CR9 1LU. 01-680 0606

Property Fund		287.8	...	—
Property Fund (A)		280.0	...	—
Agricultural Fund		1,106.0	...	—
Agric. Fund (A)		1,077.2	...	—
Abbey Nat. Fund		228.4	...	—
Abbey Nat. Fd (A)		227.5	...	—
Investment Fund		138.5	+0.1	—
Investment Fund (A)		136.1	+0.1	—
Equity Fund		412.8	−1.5	—
Equity Fund (A)		405.0	−1.5	—
Money Fund		214.7	...	—
Money Fund (A)		210.8	...	—
Actuarial Fund		221.1	...	—
Gilt-edged Fund		188.4	...	—
Gilt-Edged Fd. (A)		188.4	...	—
Retire Annuity		352.0	...	—
Immed. Ann'ty		193.0	...	—
International Fd		271.9	−2.9	—
Bldg. Soc. Life Fd.		105.8	...	—

Property Gth Pens & Annuities Ltd

All W'ther Ac. Uts.	254.0	267.3	...	—
Inv. Fd. Uts.		294.5	...	—
Pension Fd. Uts.		250.4	...	—
Conv. Pens. Fd.		288.1	...	—
Cnv. Pns. Cap. Ut.		216.4	...	—
Man. Pens. Fd.		327.0	−4.4	—
Man. Pens. Cap. Ut.	255.6	—	−3.4	—
Prop. Pens. Fd.		279.5	...	—
Prop.Pens.Cap.Uts.		212.6	...	—
Bldg. Soc. Pen. Ut.		251.1	...	—
Bldg. Soc. Cap. Ut.		193.8	...	—
Gilts Pens. Fd.		165.0	...	—
Gilts Pens. Fd. Cap.		164.8	...	—
Equity Pens. Fd.		252.5	−0.5	—
Equity Pens. Fd. Cap.		221.6	−0.4	—

Providence Capital Life Assc. Co. Ltd.
30 Uxbridge Road, W12 8PG. 01-749 9111

Equity Acc.	105.5	111.3	−1.1	—

Standard Life Assurance Company
3 George St., Edinburgh EH2 2XZ. 031-225 2552

Managed	197.3	207.7	−1.2	—
Property	151.4	159.4	...	—
Equity	224.8	236.7	−1.4	—
International	210.3	221.4	−1.4	—
Fixed Interest	164.1	172.8	−0.7	—
Index Linked	96.9	102.0	...	—
Cash	130.1	137.0	...	—
Pension Managed	230.2	242.4	−0.9	—
Pension Property	153.6	161.7	+0.1	—
Pension Equity	264.3	278.3	−0.3	—
Pension Intl.	257.7	266.0	−2.5	—
Pension Fxd. Int.	172.9	182.0	−0.9	—
Pension Index Linked	98.0	103.2	...	—
Pension Cash	146.2	153.9	...	—

Sun Alliance Insurance Group
Sun Alliance House, Horsham. 0403 64141

	Series (2)			(1) Bid
Index Linked Fund	101.4	106.8	−0.2	101.7
Equity Fund	294.1	309.6	−0.8	294.4
Fixed Interest Fund	193.6	203.8	+0.2	193.7
Property Fund	212.6	223.8	...	212.9
International Fd.	177.9	187.3	−0.1	178.1
Deposit Fund	143.3	150.9	+0.2	143.5
Managed Fund	234.7	247.1	−0.3	234.9
Int. Bond Sept 3	—	—	...	£21.36

Series (2) Prices are for policies issued after 11/7/1982. Series (1) These are bid prices for earlier policies.

Individual Pension Funds

Index Linked	124.7	131.3	...	—
Equity	143.9	151.5	−0.7	—
Fixed Int.	158.8	167.2	+0.3	—
Property	108.1	113.8	...	—
International	149.1	157.0	−0.1	—
Deposit	111.7	117.6	...	—
Managed	145.7	153.4	−0.2	—

*Group Pension funds—Prices available on request.

Sun Life of Canada (UK) Ltd.
2, 3, 4, Cockspur St., SW1Y 5BH 01-930 5400

Barclays Unicorn International
1, Charing Cross, St. Helier, Jersey. 0534 73741

Unigilt Trust	44.0	45.8	...	11.10
Unidollar Trust	$16.09	17.25	−0.38	1.50
Unibond Trust	$87.35	88.07	...	10.80

1, Thomas St, Douglas, Isle of Man. 0624 23252.

Uni-Australian Tst.	81.3	87.5	...	1.30
Uni-Aust. Mineral Tst.	78.2	84.1	...	1.30
Uni-Pacific Trust	170.7	183.6	+0.4	—
Uni-International Tst.	73.9	79.5	+0.9	1.40

Bishopsgate Commodity Ser. Ltd.
P.O Box 42, Douglas, I.o.M. 0624-23911

ARMAC* Sept 5	$60.25	64.06	...	—
COUNT** Sept 5	£3.774	4.003	...	13.12
CANRHO** Sept 5	£2.611	2.769	...	—

Original issue *$10 and **£1. Next val. October 3.

Bridge Management Ltd.
GPO Box 590, Hong Kong

N'bashi Aug. 31	Y42.700	42.900	...	42.739
Nippon Fd Sept 14	$28.22	29.47	−0.32	0.91

Britannia Intl. Investment Mngmt. Ltd.
Box 271, Queensway House, Queen Street, St. Helier, Jersey C.I. 0534-73114

U.S. Dollar Denominated Funds

AmSmallerCos.Fd.	$2.304	2.477	−0.017	—
Dollar Inc Fd.	$0.793	0.848	−0.001	11.00
$ Mngd Curr'cy Fd	$9.41	9.91	−0.02	6.30
First Intnl.	$20.44	21.58	...	—
Gold Fund	$1.228	1.348	−0.039	3.94
Normandie In SFdt.	$12.12	13.04	...	—
Universal Grwth Fd.	$0.938	1.009	−0.009	—

†New dealings September 19.

Sterling Denominated Funds

American Invests.	92.0	98.9	−1.1	3.00
Australian Perf Fd	86.3	92.8	−1.4	—
Far East Fund	108.3	116.5	−2.5	1.00
Jersey Energy Tst.	16.5	17.7	...	1.50
Jersey Gilt	21.9	23.4	+0.1	11.40
UK Growth Fund	53.6	57.6	...	3.13

Hambros Fd. Mgrs. (C.I.) Ltd.
P O Box 86, Guernsey 0481-26521

Capital Reserve Fund	£16.77	16.78	...	0.29
C.I. Fund	334.0	355.7	...	2.25
Special Sits. Fund	128.6	135.4	...	2.19
Sterling Income Fund	110.4	115.0	+0.7	10.43
Dollar Income Fund	$1.041	1.087	+0.007	12.46
Trans. Nat. Trust	$1.181	1.244	−0.006	2.41
Intnl. Bond	$106.54	112.19	...	9.63
Int. Equity	$21.94	23.09	...	1.59
Int. Svgs. 'A' $US	$1.62	1.71	...	—
Int. Svgs. 'B'	$2.45	2.58	...	—
Galleon Ass. Fund 'A'	$1.099	1.102	...	—
Galleon Ass. Fund 'B'	$1.324	1.323	...	—
Amer Spec Accts	$1.08	1.15	...	—

Henderson Admin. & Man. (Guernsey)
PO Box 71, St. Peter Port, Guernsey 0481 26541

American (US cents)	182.5	194.1	...	—
Nrl. Res. (U.S. cents)	134.2	142.7	...	—
Gilt Fund	£10.45	11.08	...	11.28
Prime Res. Props.	101.0	109.0	...	—

Henderson Baring Group
1901, Edinburg Tower, Hongkong.

Australia	$10.97	11.82	...	—
Hong Kong	$9.89	10.60	−0.29	—
Japan Tech.	$26.42	28.22	...	—
Japan Fund	$37.52	40.09	...	—
Malay Sing.	$22.57	24.31	+0.42	—
Pacific Fd	$15.616	16.596	...	—
Pacific Intl Fd	—	—	...	—
Bond Fd.	$10.517	11.042	...	10.95

Hill-Samuel & Co. (Guernsey) Ltd.
8 LeFebvre St., St. Peter Port, Guernsey, C.I.

Guernsey Tst.	287.5	307.5	−0.8	2.63

Hill Samuel Investment Mgmt. Intnl.
P O. Box 63, Jersey. 0534 76029

UK Equities (C.I. Fd).	196.3	210.0	...	2.50
UK Gilt Uly. Fxd. Int.	105.0	111.0	...	11.00
Int. Man. (Growth Fd.).	168.3	181.0	...	—

Int. Currency Fund

D. Mark	DM42.51	—	+0.01	—
£ Sterling		£11.30	+0.01	—
Swiss Franc		SF35.89	+0.01	—

Rea Brothers (IoM) Ltd
29 Athol St, Douglas IoM. 0624 21724

Bond Fund	£1.145	1.184	...	8.64

Richmond Life Ass. Ltd.
4 Hill Street, Douglas, IoM. 0624 23914

Coin Trust	27.9	38.9	...	—
Diamond Bond	68.7	73.5	...	—
Gold Bond	250.6	276.0	...	—
Sterling Deposit Bd.	169.25	178.16	+0.05	9.25
UK Gilt Fund	159.9	170.0	−0.3	—

Rothschild Asset Management (C.I.)
St Julian's Ct, St Peter Pt, Guernsey 0481 26741

OC America Fd.*	$3.76	3.98	...	1.06
OC Sm Co***	174.5	184.9	...	1.46
OC Commodity†	125.9	133.4	...	2.14
OC $ Comdty*	$39.59	42.12	...	1.64
OC HongkgFd††	$32.96	35.06	...	—

*Prices Sept 7. Next dealing Sept 21. †Prices Aug 31. Next dealing Sept 14. ***Prices Aug 31. Next dealing Sept 15. ††Dealings every Wednesday

OC Intl Reserves Ltd. 0481 26741-26331
See adjacent Page Mon-Fri and Stock Exchange Dealings Page Sat.

Royal Bank of Canada Funds
RBC Invest Managers Ltd
PO Box 246, St Peter Port, Guernsey 0481 23021

Intl Income Fd	$9.89	10.53	+0.05	—
Intl Capital Fd.	$14.42	15.64	...	—
North America Fd	$6.74	7.36	...	—

RBC Intl Currencies Fd Ltd

U.S.$	—	$21.29	...	—
Canadian $	—	C$36.59	+0.01	—
£ Sterling	—	£10.73	+0.01	—
D-Mark	—	DM51.57	...	—
Swiss Francs	—	SF40.82	+0.03	—
Japanese Yen	—	Y6.231	+1	—
Managed Fund	—	$20.74	−0.01	—

Daily Dealings.

Royal Trust Intnl. Fd. Mngt. Ltd
PO Box 194, St Helier, Jersey. 0534 27441

Sterling Fxd Int Fd.	£0.795	0.842	...	10.00
International Sec.	$1.153	1.240	...	1.13

COMMODITIES AND AGRICULTURE

Downtrend in cocoa futures reversed

By Richard Mooney

COCOA PRICES on the London futures market rallied yesterday, reversing the downtrend which had trimmed the December price by £85 in three trading days. December delivery cocoa ended the day £37 up at £1,411.50 a tonne.

Dealers said the rise was prompted by the overnight performance on the New York market and encouraged by speculator selling of previous purchases because an "oversold" situation had developed.

Reports that both the Ivory Coast and Cameroun had asked buyers to accept deferment of contracted deliveries also influenced the decline.

The deferment requests were made because early season drought had resulted in late West African crops.

In contrast, the London sugar market fell sharply with the December futures quotation ending at £173.30 a tonne, down £7.325 on the day.

Once again this reflected the trend in New York where dealers were concerned that 600,000 tonnes of sugar from an unsuccessful Brazilian export tender might be offered against the futures contract.

In Brussels, meanwhile, the EEC Commission authorised the export of 40,500 tonnes of white sugar and 20,000 tonnes of raws at its weekly tender. The result was broadly in line with traders' expectations and had little impact on the market.

Results of the sixth British sugar beet test carried out on September 12 and published yesterday, showed average root weight of 599 grams, compared with 816 at the same stage last year, and sugar content at 15.82 per cent, against 16.69 per cent.

A British Sugar official said recent rains had helped roots put on weight but depressed sugar content.

EEC proposes dairy super levy

BY JOHN WYLES IN STRASBOURG

THE EEC Commission yesterday filled in the details of its plan to discourage excess dairy production by means of a punitive levy.

It proposes that a "super levy" equal to 75 per cent of the target price should be imposed on production over and above a ceiling level fixed somewhat higher than 1981's total output.

The super levy is the centrepiece of the Commission's plan for reining in the billowing costs of the EEC's dairy surplus.

Under the details adopted yesterday, so-called intensive milk production would also suffer an additional level of 4 per cent of the target price.

The propositions will now be sent to the Council of Ministers for negotiation as part of the package of reforms and spending economies called for at the Stuttgart summit in June.

They are being vehemently opposed by the EEC dairy industry and are subject to strong reservations in many national capitals. However, Commission officials say that they would cut the costs of dairy expenditure — about 30 per cent of total farm spending —by more than ECU 1bn per year.

The Commission says this sum would fully cover the costs of disposing of the surplus generated by a 6 per cent rise in dairy output in 1981. But since 1981 output was rather more than 10 per cent above EEC dairy consumption, the proposed levy will still leave the Community budget to carry a considerable burden of disposal costs.

The Commission proposal does not envisage any exemptions

This was to have been fixed at the 1981 total production figure under the outline proposal produced by the Commission in July, but it has now been decided to fix the ceiling at 1 per cent above the 1981 total to allow for two annual increases in consumption of 0.5 per cent.

Those farmers who would be subject to the additional intensive levy are those who are producing more than 15,000 kilogrammes per hectare of forage and whose total production is more than 60,000 kilos a year.

More pressure on metals

BY JOHN EDWARDS

METAL PRICES came under renewed pressure yesterday, especially in the afternoon when it looked at one stage as if gold would sink below $400 an ounce.

The bullion spot price was lowered to $401.75 at the afternoon fixing, but the market rallied to close at $403.375, still $3.50 down on the previous close.

Although high grade copper closed virtually unchanged in late after-hours dealings, the three months slipped by £9 to £1,078 a tonne in reaction to the gold "scare."

Zinc values fell sharply again, hit by further heavy speculative selling. Expected trade support failed to emerge until the three months quotation slumped to £555 and the market then rallied to £559.75 a tonne, £11.75 lower than the previous close.

Aluminium lost ground again. The three months quotation closed £14 lower at £1,102.75 a tonne and moved down to £1,097 in late dealings.

Ministry orders straw fires inquiry

By Our Commodities Staff

THE MINISTRY of Agriculture has ordered an inquiry into strawburning by farmers, in response to "the large amount of public concern."

Mr Michael Jopling, Agriculture Minister, said he was not convinced that legislation was the answer but that it might be necessary to tighten up the existing code of practice.

Friends of the Earth, the conservation group which launched a campaign last month calling for a ban on strawburning, said there was more than enough evidence already available. "The public wants action, not another inquiry."

● THE International Natural Rubber Organisation has unanimously appointed Mr Harvey Adams of the U.S. as buffer-stock manager.

Meanwhile, the Rubber Growers Association (RGA), incorporated in London in 1907, has transferred its domicile to Kuala Lumpur to reflect the present situation where most Malaysian plantations are now Malaysian-owned

● AT LEAST 45 people have died in Irian Jaya, the Indonesian half of New Guinea, after eating meat from pigs with anthrax. Indonesia's hopes of clearing itself of foot-and-mouth disease have been dashed. An outbreak in Java has hit 20,000 of the island's 4.5m cattle and buffalo.

● MALAYSIA is confident of maintaining its position as the world's top rubber producer, supplying 45 per cent of world needs, said Prime Minister Mahatir Mohammad, responding to Indonesian claims that it intends to become the top rubber producer.

● THE U.S. will be able to meet both domestic and foreign demand for its farm products despite a sharp fall in output, says Agriculture Secretary John Block.

Drought raises vegetable prices

Vegetarians have something to beef about. **Barbara Dalzell** explains why

VEGETARIANS will not be happy; 1983 promises to offer them a winter of discontent, with retail prices up about 50 per cent for most British-grown vegetables, and quality reduced in some crops.

And even if they eat all their greens, the prospects for pudding are not a lot better. The British fruit crop got off to a promising start, but the yield for both pears and apples is down and prices are likely to rise accordingly.

Supplies of winter vegetables will be down 20 per cent overall on an average year, after a combination of reduced plantings during the cold, wet spring and an eight-week drought during the summer.

Summer crop prices were pushed up by the cold spring and are unlikely to drop with the usual seasonal autumn increase in produce. Indeed, by the winter they may rise by 5-10p a pound because of the shortage of supplies.

However, Mr Jonathan Choat, chief executive of the Fresh Fruit and Vegetable Information Bureau, stresses that this year's higher prices should be looked at in the context of last year's excellent growing conditions which kept prices down.

This year, he says, prices are "more realistic" rather than "more expensive."

"Comparison with last year is stark as 1982 was a superb growing year for all types of vegetables.

"The rock bottom prices and low returns from the market prompted many growers to reduce the hectareage they planted this spring."

The well documented problems of the potato industry illustrate the problems that have plagued growers this year. The disastrously wet spring delayed planting and growing conditions in the sodden soil were far from ideal. The summer drought which followed put plants under further stress, reducing yields and causing an upsurge of prices—dramatically reflected on the London futures market.

Growers of other crops faced similar problems, albeit with less fanfare.

The cabbage growing area is down by about 12 per cent this year and supplies are down by 20 per cent. Mr John Emmett, of Thames Valley Grocers, says: "We need steady rain over the next four weeks or this situation may get worse."

Both white and green cabbages have been hit. Prices will probably rise slightly. White cabbage is now 24-34p a pound and may go up to 28-35p a pound, while green cabbage, now 18-25p may rise to 25-35p.

Brussels sprouts growers are also praying for rain. Plantings are down 12 per cent and supplies are down by 25 per cent overall.

Prices are likely to be around 30-35p a pound even when the main crop is being picked, and frozen vegetable stocks are also low.

Cauliflower growers had problems in succession planting because of the weather. Supplies are expected to be down 20 per cent on average and the current 40-50p per head price could go as high as 65p later in the year.

Carrot growers have probably been hardest hit. "The crop has simply not grown at all during the drought," says Mr John Barry, marketing director of Greens of Soham.

Supply is expected to be down 40 per cent on average, and carrots will be small and rather rubbery. The summer crop prices of 15-22p a pound could rise to 25-30p.

Yield is also down for parsnips and turnips and prices will be 25-30p a pound.

Onion growers have better news for shoppers. Prices will be up—about 18-22p a pound—because the drought cut the crop back in quality and size. "There will be smaller-sized onions than usual though the dry weather has meant no staining by rain and superb quality in the fields," says Mr Michael Scott, chairman of Lincoln County Onions, the group which has pioneered the British "Super Onion."

Leeks are expected to be about 45-55p a pound and the dry summer will reduce supplies by 15-20 per cent.

The celery crop is reported to be of good quality but the dry weather has produced some oddly shaped heads. Prices are likely to remain at about 40-50p a head.

Beans and peas supplies are also down. Peas for processing are apparently of good quality but the crop size is down. The beans yield is 15 per cent down on average and plantings were down by 13 per cent. Prices should be about 35-40p a pound.

Fruit growers have fared rather better than vegetable growers this year, with crops getting off to a promising start. However, gale-force winds at the end of August left some growers in Kent reporting losses of up to 30 per cent. Such losses were not uniform, however.

Cox apples will be in shorter supply but quality is expected to be excellent. Worcesters are also down in yield. Prices will be between 35-50p a pound, depending on variety and quality.

Pears are also expected to be good, with winter prices of between 22-29p a pound.

Amid all the gloom about bad weather and low prices, Britain's winemakers remain cheerful. Mr Kenneth McAlpine, chairman of the English Vineyards Association, says this year's prospects are excellent.

"This could be our best year yet." He reports a 10 per cent increase in land under vine, the vintage looks promising—it could yield up to 1.5m bottles—and demand is high.

Coming up roses at New Covent Garden

By Barbara Dalzell

FRUIT, vegetable and flower sales at New Covent Garden market reached an all-time record in the 1982/83 financial year ended March 31.

The Covent Garden Market Authority (CGMA) annual report published today shows that the authority made an operating profit of £1.176m, compared with £723,000 the previous year. Property sales accounted for £1.024m of the profit while the remaining £152,000 came from the market.

Market throughput went up by 11.35 per cent on the previous year's figures, from £229m to £225m—£213m from the fruit and vegetable market and the remainder from the flower market.

When the market moved to Nine Elms in Vauxhall in 1974 it borrowed money for the new market from the Ministry of Agriculture. At the beginning of the 1982/83 financial year the outstanding debt amounted to £23.111m, of which £7.403m was interest bearing.

Total interest-bearing debt increased to £12.217m, but the interest-free debt was nearly halved—from £15.806m to £8.396m.

All available space in the flower market was let throughout the year, but 8 per cent of trading space was vacant in the fruit and vegetable market. By the end of the year, more than 10 per cent of the trading area was vacant.

Mr Peter Firmston-Williams, chairman of the CGMA, urges that many existing practices must change.

He calls for new ventures in marketing and distribution, perhaps different trading hours, more efficient use of space in the market, a closer relationship with suppliers and buyers, and exploitation of the potential for flowers and plants trade.

PRICE CHANGES

In tonnes unless stated otherwise	Sept. 14 1983	+ or —	Month ago
Metals			
Aluminium	£1050	....	£1050
Free Mkt	$1630/1660	—25	$1585/615
Copper			
Cash h grade	£1058.5	+0.5	£1085.5
3 mths	£1087.25	....	£1113.25
Cash Cathode	£1027	+1	£1053.5
3 months	£1055.5	....	£1080.5
Gold troy oz	$403.375	—3.5	$421.625
Lead Cash	£266.75	+0.5	£262.75
3 months	£276.625	+0.375	£272.75
Nickel	£4646.34	....	£4625.95
Free mkt	220/250c	—5	220/250c
Palladium	$150.75	—1.50	$151.00
Platinum	£286.80	—0.10	£292.50
Quicksilver†	$290/300	+5	$280/290
Silver troy oz	787.20p	—5.20	826.65p
3 mths	805.40p	—4.75	846.75p
Tin cash	£8430	+5	£8432.5
3 month	£8562.5	+5.5	£8547.5
Tungsten	$74.81	....	$84.32
Wolfsm 22.04 lb	$76/82	....	$73/77
Zinc Cash	£544	—11	£544.25
3 mths	£559.75	—11.75	£559.875
Producers	$880	....	$820

	Sept. 14 1983	+ or —	Month ago
Oils			
Coconut (Phil)	$990y	—22.5	$1010
Groundnut	$1045x	....	‡
Linseed Crude	£536.30	+6.5	£397
Palm Malayan	$655u	—5	$580
Seeds			
Copra Phil	$646x	—6	$660
Soyabean (U.S.)	‡	....	$361
Grains			
Barley Fut. Nov	£118.60	—0.55	£118.50
Maize	£145.00	....	£142.00
Wheat Fut. Nov	£123.25	—0.85	£126.70
No2 Hard Wint	‡	....	‡
Other commodities			
Cocoa ship't*	£1467	+37	£1640.5
Fut. Dec	£1411.5	+37	£1586.5
Coffee Ft. Nov	£1713.5	+9.5	£1701.5
Cotton A.Index	91.80c	—0.15	91.00c
Gas Oil Oct	$255	+2.5	$263.5
Rubber kilo	74.5p	—0.5	80.5p
Sugar (Raw)	£157y	—3	£173
Woolt'ps 64s	395p kilo	....	395kilo

‡ Unquoted. z Aug-Sept. u Nov. y Sept-Oct. x Oct-Nov. v Oct. † Per 16lb flask. * Ghana cocoa. n Nominal.

LONDON OIL SPOT PRICES

	Latest	Change + or —
CRUDE OIL—FOB ($ per barrel)		
Arabian Light	28.60-28.70	+0.05
Iranian Light	28.20	—
Arabian Heavy	26.60-26.70	—
North Sea (Forties)	30.00-30.20	+0.05
North Sea (Brent)	30.40	+0.10
African (Bonny Li'ht)	30.75-30.85	—
PRODUCTS—North West Europe CIF ($ per tonne)		
Premium gasoline	293-296	—1.6
Gas oil	247-250	—
Heavy fuel oil	167-169	—

GAS OIL FUTURES

A sharp increase in the U.S. stocks brought the market in a shade weaker despite a steady New York close. Prices remained at the lower end of the range throughout the morning but firmed sharply on the strong New York opening and moved steadily upwards to close on the highs, reports Premier Man.

Month	Yest'day's close	+ or —	Business Done
	$ U.S. per tonne		
Sept.	250.00	+2.25	250.00-47.25
Oct.	255.00	+2.50	256.00-51.25
Nov.	259.00	+3.00	259.25-54.50
Dec.	263.25	+3.25	262.25-57.00
Jan.	261.00	+3.75	261.00-56.50
Feb.	256.00	+2.50	256.00-52.50
Mar.	253.00	+2.00	250.50-49.50
April	247.25	—1.75	247.25-47.00
May	246.50	+2.00	—

GOLD MARKETS

Gold fell $3½ an ounce from Tuesday's close in the London bullion market yesterday to finish at $403-403¼. The metal opened at $406½-407¼ and fell to a low of $399¾-401. The best level of the day was the opening level but a weaker trend developed as fears increase over the possibility of a sharp rise this week in U.S. M1 money supply.

In Frankfurt the 12½ kilo bar was fixed at DM 35,110 per kilo ($406.76 per ounce) against DM 35,075 ($408.27) and closed at $401½-402 from $406½-407.

In Paris the 12½ kilo bar was fixed at FFr 106,300 per kilo ($408.00 per ounce) in the afternoon compared with FFr 106,250 ($407.61) in the morning and FFr 105,700 ($407.08) on Tuesday afternoon.

In Luxembourg the dollar per ounce equivalent of the 12½ kilo bar at the fixing was $406.75 from $407.25 previously.

In Zurich gold finished at $401-404 from $406-409.

LONDON FUTURES

Month	Yest'rday's close	+ or —	Business Done
	$ per troy ounce		
Sept	402.60-03.1	—4.100	—
Oct.	404.50-04.7	—4.400	408.80-08.5
Nov.	407.50-08.5	—4.250	—
Dec.	410.80-10.8	—4.200	415.50-08.0
Jan.	414.50-15.5	—3.850	—
Feb	418.00-19.0	—4.050	418.30
Mar.	421.50-23.0	—4.250	—

Turnover: 2,243 (1,847) lots of 100 tonnes.

	Sept. 14		Sept. 13	
Gold Bullion (fine ounce)				
Close	$403-403¼	(£270-270½)	$406½-407¼	(£271¾-272½)
Opening	$406½-407¼	(£272-272½)	$407½-408¼	(£272-272½)
Morning fixing	$406.15	(£272.529)	$406.75	(£271.438)
Afternoon fixing	$401.75	(£269.504)	$406.75	(£272.037)

Gold Coins Sept. 14					
Krugrnd	$414½-415¼	(£278-278½)	King Sov	$97½-99	(£65¼-66¼)
½ Krg	$213¼-214¼	(£143-144¼)	Victoria Sov	$97½-99	(£65¼-66¼)
¼ Krg	$108¾-109¾	(£73-73¾)	French 20s	$82-83¼	(£55-56¼)
1/10 Krug	$44¼-45¼	(£29¾-30¼)	50 pesos Mex	$491-493	(£329¼-330¼)
Mapleleaf	$414¼-415¼	(£277¼-278½)	100 Cor. Aust	$394-397	(£264¼-266¼)
New Sov	$94¾-95¼	(£63½-63¾)	$20 Eagles	$560-590	(£389-395¼)
½ New Sov	$56¼-58¼	(£37¾-39)			

EUROPEAN MARKETS

ROTTERDAM, September 14.

Wheat — (U.S. $ per tonne). U.S. No. 2 Red Winter: Oct 165, Nov 169, Dec 172. U.S. Northern Spring, 14 per cent protein, Sept 188.50, Oct 186, Nov 188, Dec 192, April-May 197. U.S. No. 3 Amber Durum: Sept 15/Oct 15 209, Oct 211, Nov 215, April/May 222.

Maize — (U.S. $ per tonne). U.S. No. 3 Yellow: Afloat 166, Sept 164.50, Oct 160.50, Nov 160.50, Dec 162, Jan/March 165, April/June 168 sellers. Argentine: Afloat 170, Oct 173 sellers.

Soyabeans—(U.S. $ per tonne). U.S. No. 2 Yellow, Gulfports: Oct 351.20, Nov 353.50, Dec 358.75, Jan 363.75, Feb 368, March 372, April 373, May 373.50 sellers. Argentine: Sept 348 sellers.

Soyameal—(U.S. $ per tonne), 44 per cent: Afloat 275, Sept 278, Oct 277, Nov/March 288 sellers. Pellets, Brazil: Sept 292, Oct 296, Nov 300 sellers. Pellets, Argentine: Afloat 291, Sept 285, Oct 288, Nov 292, Dec 238 sellers.

PARIS, September 14.

Cocoa—(FFr per 100 kg): Sept 1665-1700, Dec 1727-1730, March 1767-1770, May 1785 bid, July 1805 bid, Sept 1830 bid, Dec 1845 bid.

BRITISH COMMODITY MARKETS

BASE METALS

BASE-METAL PRICES remained under pressure on the London Metal Exchange, especially Zinc and Copper. The later held steady around the mid-£1,060s before the sharp decline in precious metal prices prompted substantial stop-loss selling which depressed forward copper to £1,077.5 at the close. Zinc fell to £555, three months, owing to heavy Commission House and speculative selling before the downtrend was arrested by substantial trade support. Aluminium fell sharply on trade and speculative selling and touched £1,094, but recovered to close at £1,098.

COPPER

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —†
High Grde	£	£	£	£
Cash	1060-.5	—3.5	1058-9	+.5
3 months	1089.5	—	1087-.5	—
Settlem't	1060.5	—3.5	—	......
Cathodes				
Cash	1025.5-6	—7.75	1026-8	+1
3 months	1055.5-6.5	—6.5	1055-6	—
Settlem't	1026	—8	—	
U.S. prod	—	—	*76-79	......

Amalgamated Metal Trading reported that in the morning cash Higher Grade traded at £1,060.50, 60, three months £1,089, 89.50, 89, 90, 89.50, 89, 88.50. Cathodes: Cash £1,026. Kerb: Higher Grade: Three months £1,088, 88.50, 89. Afternoon: Higher Grade: Three months £1,085, 85.50, 86.50, 87, 87.50, 87, 87.50. Kerb: Higher Grade: Three months £1,085, 84, 83, 82, 81, 80, 79, 78, 77.50, 77, 78, 79, 78, 78.50, 78. Turnover: 26,850 tonnes.

TIN

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —†
High Grde	£	£	£	£
Cash	8420-5	+15	8425-35	+5
3 months	8560-3	+14	8570-5	+16.5
Settlem't	8425	+15	—	......
Standard.				
Cash	8420-5	+28	8425-35	+5
3 months	8560-3	+14	8560-5	+6.5
Settlem't	8425	+20	—	......
Straits E.	$29.91	+0.01	—	......
New York.				

Tin—Morning: Standard: Cash £8,420, three months £8,560, 65. Kerb: Standard: Three months £8,560. Afternoon: Standard: Three months £8,565, 70. High Grade: Three months £8,570. Turnover 1,155 tonnes.

LEAD

LEAD	a.m. Official	+ or —	p.m. Unofficial	+ or —†
	£	£	£	£
Cash	266.5-7	—2.87	266.5-7	+.5
3 months	276.5-.75	—5.12	276.5-.75	+.375
Settlem't	267	—2.75		......
U.S. Spot	—	......	*20-24	......

Lead—Morning: Cash £266.75, three months £276.50, 77, 76.25. Kerb: Three months £276.75. Afternoon: Three months £276.50. Kerb: Three months £276.50, 77. Turnover: 6,800 tonnes.

ZINC

ZINC	a.m. Official	+ or —	p.m. Unofficial	+ or —†
	£	£	£	£
Cash	550-1	—18.2	543.5-4.5	—11
3 months	565.5-6	—19	559.5-60	—11.7
Settlem't	551	—18	—	......
Primw'ts	—	......	*46-.75	......

Zinc—Morning: Three months £569, 68.50, 68, 66.50, 66. Kerb: Three months £565, 64, 64.50, 65, 64, 63. Afternoon: Three months £560, 58, 59, 58, 57.50, 58, 58.50, 58, 58, 55, 58, 59, 60, 59.50, 60. Kerb: Three months £560, 59, 58. Turnover: 6,800 tonnes.

ALUMINIUM

Aluminim	a.m. Official	+ or —	p.m. Unofficial	+ or —†
	£	£	£	£
Spot	1075-6	—11.2	1073.5-4.5	—14
3 months	1104-5	—11.2	1102.5-3	—14

Aluminium—Morning: Three months £1,109, 08.50, 09, 09.50, 10, 09, 08.50, 08, 07.50, 07, 06, 05. Kerb: Three months £1,105, 04, 03, 02, 01, 1,100, 1,099.50, 1,100, 01, 02. Afternoon: Three months £1,104, 04.50, 04, 03.50, 03, 02.50, 02, 02.50. Kerb: Three months £1,102, 01, 1,100, 1,099, 98, 97, 96, 95, 94, 95, 96, 97, 98. Turnover: 38,650 tonnes.

NICKEL

Nickel — Morning: Three months £3,425, 23, 20, 18, 15. Kerb: Three months £3,415. Afternoon: Three months £3,412, 10, 09, 07, 06. Kerb: Three months £3,405, 3,400, 3,395, 90, 85, 80, 70, 75, 80. Turnover: 1,404 tonnes.

NICKEL	a.m. Official	+ or —	p.m. Unofficial	+ or —†
Spot	3320-5	—7.5	3315-25	—12.5
3 months	3413-5	—7.5	3406-7	—17

* Cents per pound. ‡ M$ per kilo. † On previous unofficial close.

SILVER

Silver was fixed 5.2p an ounce lower for spot delivery in the London bullion market yesterday at 787.2p. U.S. equivalents of the fixing levels were: spot $11.745, down 10.5c; three-month $12.028, down 10.2c; six-month $12.331, down 10.3c; and 12-month $12.961, down 11.0c. The metal opened at 788-790p ($11.78-11.82) and closed at 779-782p ($11.63-11.67).

SILVER per troy oz.	Bullion fixing price	+ or —	L.M.E. p.m. Unoffic'l	+ or —
Spot	787.20p	—5.20	779.5p	—11
3 months	805.40p	—4.75	798.5p	—11
6 months	824.90p	—4.85	—	......
12months	864.90p	—5.45	—	......

LME—Turnover: 82 (147) lots of 10,000 ozs. Morning: Three months 806.0, 05.5, 06.0. Kerb: Three months 806.0, 07.0. Afternoon: Three months 800.0, 01.0, 798.0. Kerb: Three months 797.0.

COCOA

Substantial gains were made in moderately active trading. Opening higher, prices moved to limit-up after an hour's trading with trade and commission houses buying. During the afternoon some physical interest pushed the market higher until profit-taking eased prices. Origins were inactive, reports Gill and Duffus.

COCOA	Yesterday's Close	+ or —	Business Done
	£ per tonne		
Sept	1377-80	+49.0	1386-60
Dec	1411-12	+37.0	1428-92
March	1419-20	+26.5	1438-15
May	1435-36	+25.5	1450-36
July	1448-50	+25.5	1467-45
Sept	1460-61	+23.0	1475-61
Dec	1468-78	+25.5	1483-73

Sales: 5,884 (5,614) lots of 10 tonnes.

ICCO—Indicator prices (U.S. cents per pound): Daily price for Sept 14: 92.84 (91.01): five-day average for Sept 15: 93.12 (93.84).

COFFEE

Fresh contract highs were established in most positions during a quiet session, reports Drexel Burnham Lambert. Prices moved ahead in moderate volume before scale-up trade and commission house selling encouraged a weaker finish.

COFFEE	Yest'day's Close	+ or —	Business Done
Sept.	1736-38	+14.5	1744-28
Nov.	1713-14	+9.5	1725-09
January	1686-89	—4.5	1704-88
March	1654-56	+0.5	1666-54
May	1635-35	+0.5	1640-35
July	1614-15	—0.5	1622-14
Sept.	1600-05	—3.5	1609

Sales: 3,729 (1,904) lots of 5 tonnes.

ICO Indicator prices (U.S. cents per pound) for September 13: Comp. daily 1979 126.23 (126.09): 15-day average 126.29 (126.31).

GRAINS

Business done—Wheat: Sept 122.40-2.00, Nov 123.85-3.20, Jan 126.50-6.00, March 129.35-8.90, May 132.10-1.85, July 134.65-4.40. Sales: 253 lots of 100 tonnes. Barley: Sept 116.65-6.35, Nov 119.00-8.60, Jan 121.85-1.75, March 124.65-4.35, May 126.80 only. Sales: 68 lots of 100 tonnes.

	WHEAT		BARLEY	
Mnth.	Yestrday's close	+ or —	Yestday's close	+ or —
Sep	121.90	—0.80	116.45	—0.40
Nov	123.25	—0.85	118.60	—0.55
Jan	126.00	—0.85	121.75	—0.60
Mar	128.90	—0.75	124.36	—0.60
May	131.60	—0.75	126.45	—0.60
July	134.40	—0.75	—	—

Wheat came under merchant selling pressure to slowly decline in light trading and close at the lows. Barley eased in sympathy although sellers were harder to find, reports Muirpace.

LONDON GRAINS—Wheat: U.S. dark northern spring No 1 14 per cent Oct 136.25, Nov 136.75, Dec 139.50 transhipment east coast sellers. English feed fob Sept 124.50, Oct 126, Oct/Dec 128 east coast seller. Maize: French 1st Sept 145, first half Oct 145, second half Oct 145.50 east coast sellers. Barley: English feed fob Oct/Dec 124.50 east coast seller, Sept 118.25 paid Peterhead. Rest unquoted.

HGCA—Location ex-farm spot prices. Feed barley: E. Mids 115.00, N. East 114.30, Scotland 112.20. The UK monetary coefficient for the week beginning Monday, September 19, is expected to remain unchanged.

POTATOES

The market was uncertain during the morning, until towards the lunch close when prices began to strengthen. Strong buying on the re-opening moved prices sharply higher, hitting stop-loss buying levels to raise values further to close very steady, reports Coley and Harper.

Month	Yestday's close	Previous close	Business Done
	£ per tonne		
Nov	151.70	142.50	155.0-142.5
Feb	183.00	174.00	183.0-174.0
April	217.00	205.50	217.1-205.0
May	225.00	210.90	225.0-210.5
Nov	84.10	81.80	—

Turnover: 1,048 (922) lots of 40 tonnes.

RUBBER

The physical market opened easier, ruled quiet throughout the day and closed quiet, reported Lewis and Peat. The Kuala Lumpur September fob price for RSS No 1 was 252.0 (254.75) cents a kg and for SMR20 214.0 (216.5).

No. 1 R.S.S.	Yest'day's close	Previous close	Business Done
	£ per tonne		
Oct	740-755	740-748	—
Nov	740-750	743-750	—
Oct-Dec	741-745	740-744	748-739
JanMch	764-765	767-769	764-760
Apl-Jne	783-784	787-789	783-778
Jly-Sep	799-802	806-807	800-798
Oct-Dec	815-820	823-825	816-813
JanMch	833-839	840-841	—
Apl-Jne	850-860	861-862	854-854

Sales: 220 (508) lots of 15 tonnes: nil (same) lots of 5 tonnes.

Physical closing prices (buyers) were Spot 74.50p (75.00p); Oct 77.25p (77.50p); Nov 77.50p (77.75p).

SOYABEAN MEAL

The market opened £8 lower on heavy long liquidation and stop-loss selling, reports T. G. Roddick. A further price collapse occupied on commission house selling with only limited commercial support and the market cosed on the lows.

	Yestday's close	+ or —	Business Done
	£ per tonne		
October	186.00-89.00	—11.85	199.50-87.50
Dec	191.00-92.00	—15.80	197.00-91.00
Feb	196.00-96.80	—15.10	200.50-98.80
April	195.00-98.00	—12.00	—
June	196.00-95.00	—12.50	—
August	190.00-97.50	—12.75	—
October	180.00-90.00	—10.80	—

SUGAR

LONDON DAILY PRICE—Raw sugar £157.00 (£160.00) a tonne for Sept-Oct shipment. White sugar £177.00 (£179.50).

The market was again under pressure from commission house long liquidation, reports C. Czarnikow.

Tate and Lyle delivery price for granulated basis sugar was £266.50 (£269.50) a tonne for export.

International Sugar Agreement (U.S. cents per pound) fob and stowed Caribbean ports. Prices for Sept 13: Daily price 9.84 (9.82); 15-day average 9.90 (9.92).

WOOL FUTURES

SYDNEY GREASY WOOL—Close (in order: buyer, seller, business). Australian cents per kg. Oct 559.5, 560.5, 562.0-559.0; Dec 570.0, 571.0, 573.0-570.0— March 589.0, 590.0, untraded; May 600.0, 603.0, untraded; July 614.0, 616.0, untraded; October 607.5, 614.0, untraded: Dec 614.0, 618.0, untraded; March 620.0, 626.0, untraded. Sales: 70.

LONDON NEW ZEALAND CROSS-BREDS—Close (in order: buyer, seller, business). New Zealand cents per kg Oct 423, 429, 428-427; Dec 423, 429, 428-427, Jan 426, 428, 430-427; March 435, 438, 440-438; May 444, 448, 450-449; Aug 455, 460, 459; Oct 458, 463, 464-463; Dec 464, 472, 470-469; Jan 467, 475, nil; March 482, 485, 482. Sales: 3.

COTTON

LIVERPOOL—Spot and shipment sales amounted to 110 tonnes. Fair operations continued with attention again centred on Russian and Turkish supplies. Certain African qualities were wanted and demand was about in forward styles for delivery near the year-end.

INDICES

FINANCIAL TIMES

Sept. 13	Sept. 12	M'th ago	Y'ar ago
288.68	289.53	298.34	231.08

(Base: July 1 1952=100)

REUTERS

Sept. 14	Sept 13	M'th ago	Y'ar ago
1899.7	1902.5	1928.9	1625.5

(Base: September 18 1931=100)

MOODY'S

Sept. 13	Sept. 12	M'th ago	Y'ar ago
1069.6	1078.1	1096.8	1009.1

(Base: December 31 1974=100)

DOW JONES

Dow Jones	Sept 13	Sept. 12	Month ago	Year ago
Spot	142.78	144.91	148.61	128.85
Fut's	149.88	151.47	153.24	131.51

(December 31 1931=100)

MEAT/FISH

MEAT COMMISSION—Average fatstock prices at representative markets. GB—Cattle, 95.83p per kg lw (+0.67). GB—Sheep, 135.43p per kg est dcw (+2.12). GB—Pigs, 79.60p per kg lw (+6.65).

SMITHFIELD—Pence per pound. Beef—Scotch killed sides 79.0 to 84.0; Eire hindquarters 95.5 to 99.0, forequarters 59.0 to 62.5. Veal—Dutch hinds and ends 144.0 to 148.0. Lamb—English small 64.0 to 68.0, medium 62.0 to 66.0, heavy 60.0 to 64.0; Imported: New Zealand PL 58.3 to 58.8. Pork—English under 100 lb 47.0 to 53.5, 100-120 lb 46.0 to 52.0, 120-160 lb 44.0 to 51.0.

GRIMSBY FISH—Supply poor, demand good. Prices at ship's side (unprocessed) per stone: Shelf cod £5.50-6.00, codlings £5.00-5.50; medium haddock £3.80-4.00, small £2.90-3.30; large plaice £7.20, medium £5.50-7.00, best small £5.20-6.40; large lemon sole £11.00, smal £9.00; rockfish £2.20-3.30; reds £2.00; saithe £2.50-3.30.

COVENT GARDEN—Prices for the bulk of produce, in sterling per package except where otherwise stated. Imported produce: Minneolas—Outspan: 5.50-6.00. Tangerines—Brazilian: honey, tray 4.80-5.20, murcots 3.40-3.30. Australian: Ellendales 7.50-8.0. Oranges—Outspan: Valencia lates 40 6.00, 48 6.80, 56 7.70, 72 7.40, 88 7.00, 112 6.10, 138 5.80, 150 5.00; Brazilian: Valencia lates 6.00. Lemons—Outspan: carton 10.00-13.00; Uruguayan: carton 8.50-10.00; Spanish: 5-kg 3.50-4.00; Italian: carton 9.00-10.00. Grapefruit—Outspan: 27 5.70, 32 6.70, 36 6.90, 40 6.80, 48 7.40, 56 7.40, 64 7.40, 72 5.00: Honduras: box 6.50-7.00; Dominican: 6.00-7.20. Apples—French: Golden Delicious (new crop) carton 6.20-6.40, half-carton 3.20-3.30, Mutsu 10.00; Spanish: Golden Delicious (new crop) 5.00-5.50, Granny Smith 8.50-9.50. Pears—French: Per pound Williams 0.13-0.14; Italian: Williams 0.15-0.20. Grapes—Italian: per pound Regina 0.16-0.20, Alphonse 0.30-0.32, Italia 0.30-0.34; Spanish: Italia 0.30-0.35; Almeria 0.20-0.25, Negra 0.28-0.30; Greek: Sultana 0.20-0.22; French: Alphonse 0.20-0.22. Peaches—Italian: large trays 2.60-3.40; French: 1.80-2.60. Nectarines—Italian: large trays 4.20-5.00. Plums—Italian: per pound Stanley 0.12-0.14, President 0.18-0.22; French: President 0.20-0.22. Gages—French: 3.00-3.80. Watermelons—Spanish: 15-kg 2.80-3.40. Melons—Spanish: Yellow 10-kg 2.00-2.50; French: Large trays Charentais 4.50-5.00, Galia large trays 4.00-4.50. Bananas—Colombian: 40-lb boxes 10.60-11.00.

English produce: Apples—Per pound, Bramley new season 0.11-0.13, Howgate 0.09, Tydeman's Worcester 0.12-0.18, Worcester Pearmain 0.12-0.20, Derby 0.10, Cox's 0.25-0.30, Russet 0.20-0.22. Pears—Per pound, Williams 0.10-0.12, Conference 0.12-0.15. Strawberries—8-oz 0.40-0.50 according to condition. Raspberries—4-oz punnets 0.70-0.80 according to quality. Blackberries—8-oz 0.35-0.40. Plums—Per pound Damsons 0.22-0.25, Victorias 0.20-0.25, Marjorie 0.17-0.18, Bush 0.10-0.11. New potatoes—4.00-5.30. Mushrooms—Per pound, open 0.60-0.70, closed 0.80-1.00. Lettuce—Per tray round 1.30-1.50, Webb's 2.40-2.60, Cos 2.00-2.40, Iceberg, per dozen 7.00-7.50. Onions—Per 55-lb 3.50-3.80. Cabbages—Per 25-lb Primo 3.80-4.00. Greens—28-lb, Kent 2.80-3.00, Lincoln 3.20-4.00. Cauliflowers—12's 2.80. Cucumbers—2.20-2.40. Tomatoes—Hothouse, 12-lb 2.20-2.40. Celery—3.50-4.00. Beetroots—28-lb 3.00-3.30. Turnips—28-lb 3.00. Swedes—28-lb 2.60-2.80. Sugar peas—Per pound 1.50-2.00. Capsicums—Green per pound 0.25-0.28. Corn cobs—Each 0.08-0.14. Leeks—Per pound 0.25-0.30. Carrots—28-lb 2.00-2.60. Parsnips—28-lb 3.60-4.00. Courgettes—Per pound 0.30-0.35. Stick beans—Per pound 0.35-0.40.

AMERICAN MARKETS

Precious metals finished with little change. However, some important major moves occurred during the day: a sharp break in price mid-morning was followed by late short-covering with both moves initiated by technical trading. Copper prices were sharply lower in continued long liquidation with most of the fundamental pressure centred around rising exchange stocks. Heating oil prices were very strong as a result of rumours related to the impending Opec meetings; the market advances were based on expectations of higher prices. Sugar prices were moderately lower on heavy selling by producers which was only partially offset by speculative bargain-hunting—the trade feared sales by Brazil hanging over the market. Cocoa prices held up well finishing higher as reports from Brazil indicate unsatisfactory yields and the West African crops also appear to be lagging behind expectations. Cotton prices continued their downside move as liquidation snoortptitnneutaxcCe.epnootndcect of long positions extended into the second day. Soyabeans suffered heavily on new short positions and local selling despite a very bullish crop production estimate. Wheat and maize were moderately lower on good trade support on breaks. The market psychology as well as the technical bias have turned bearish, reports Heinold Commodities Ltd.

NEW YORK

COCOA 10 tonnes, $/tonnes

	Close	High	Low	Prev
Sept	1876	1900	1875	1895
Dec	1971	1976	1932	1925
March	2001	2006	1966	1958
May	2021	2025	1995	1980
July	2040	—	—	1999
Sept	2061	—	—	2020
Dec	2081	—	—	2040

COFFEE "C" 37,000 lb, cents/lb

	Close	High	Low	Prev
Sept	132.28	134.00	132.25	133.48
Dec	130.12	131.90	130.10	131.50
March	127.97	129.40	127.80	129.15
May	126.18	127.60	126.25	127.15
July	124.88	126.75	125.10	125.63
Sept	123.13	124.05	124.00	123.78
Dec	121.00	122.25	122.00	122.13

COPPER 25,000 lbs, cents/lb

	Close	High	Low	Prev
Sept	70.95	71.40	70.90	71.60
Oct	71.25	71.55	71.55	72.00
Nov	71.95	—	—	72.70
Dec	72.60	73.15	72.50	73.35
Jan	73.35	73.80	73.40	74.10
March	74.80	75.30	74.65	75.55
May	76.15	76.50	76.15	76.90
July	77.50	77.90	77.50	78.25
Sept	78.85	79.20	78.90	79.60
Dec	80.80	81.30	80.90	81.55

COTTON 50,000 lb, cents/lb

	Close	High	Low	Prev
Oct	76.40	77.40	76.40	77.75
Dec	77.52	78.50	77.50	78.89
March	78.90	79.90	78.85	80.12
May	80.02	81.00	80.00	81.10
July	80.80	81.25	80.52	81.60
Oct	76.80	76.95	76.50	77.15

GOLD 100 troy oz, $/troy oz

	Close	High	Low	Prev
Sept	408.4	406.2	399.5	407.1
Oct	409.9	411.2	401.0	409.1
Nov	413.2	—	—	412.4
Dec	416.5	419.0	407.0	415.7
Feb	423.7	424.0	414.0	422.9
April	431.1	430.0	423.5	430.2
June	438.5	436.0	430.5	437.6
Aug	446.2	447.5	438.5	445.2
Oct	453.9	452.0	447.0	452.9
Dec	461.7	468.0	456.0	460.7
Feb	469.7	469.5	469.5	468.6
April	477.8	—	—	476.7
June	486.2	482.5	480.5	485.2

HEATING OIL 42,000 U.S. gallons, cents/U.S. gallons

	Close	High	Low	Prev
Oct	83.76	84.35	82.60	83.23
Nov	85.12	85.50	83.70	84.32
Dec	86.13	86.60	84.79	85.29
Jan	86.00	86.45	84.85	85.30
Feb	85.20	85.45	84.00	84.35
March	83.89	83.80	82.20	82.77
April	82.70	—	—	81.90
May	82.05	—	—	81.15
June	82.40	—	—	81.50

ORANGE JUICE 15,000 lbs, cents/lb

	Close	High	Low	Prev
Sept	124.05	124.50	124.00	124.05
Nov	118.50	118.75	118.25	118.85
Jan	113.25	113.35	112.85	113.25
March	113.05	113.20	112.80	113.10
May	112.70	113.00	112.60	112.90
July	112.85	112.95	112.75	112.80
Sept	113.10	112.75	112.75	113.80
Nov	111.20	—	—	111.30
Jan	109.80	—	—	109.70

PLATINUM 50 troy oz, $/troy oz

	Close	High	Low	Prev
Sept	431.1	428.0	428.0	431.6
Oct	433.1	435.0	429.0	433.6
Jan	439.4	442.0	435.4	439.9
April	444.5	446.0	441.0	445.4
July	451.5	450.0	448.5	452.9

SILVER 5,000 troy oz, cents/troy oz

	Close	High	Low	Prev
Sept	1176.5	1183.0	1160.0	1177.0
Oct	1181.0	—	—	1181.0
Dec	1201.0	1207.0	1180.0	1202.0
Jan	1211.7	—	—	1212.8
March	1233.0	1240.0	1210.0	1234.2
May	1254.8	1258.0	1235.0	1256.0
July	1276.8	1278.0	1258.0	1278.0
Sept	1298.8	1300.0	1280.0	1300.0
Dec	1331.8	1340.0	1315.0	1333.0

SUGAR WORLD "11" 112,000 lbs, cents/lbs

	Close	High	Low	Prev
Oct	9.80	9.98	9.76	10.16
Jan	10.43	10.50	10.25	10.75
March	11.20	11.24	10.94	11.34
May	11.50	11.54	11.34	11.69
July	11.77	11.79	11.60	11.92
Sept	11.98	12.05	12.05	12.17
Oct	12.18	12.20	12.02	12.35
Jan	12.63	12.51	12.50	12.58

CHICAGO

LIVE CATTLE 40,000 lbs, cents/lb

	Close	High	Low	Prev
Oct	58.67	58.87	58.17	58.55
Dec	58.90	59.50	58.85	59.15
Feb	60.55	60.87	60.27	60.62
April	62.95	63.45	62.70	63.12
June	64.75	65.00	64.42	64.90
Aug	63.90	64.30	63.70	64.05

LIVE HOGS 30,000 lbs, cents/lb

	Close	High	Low	Prev
Oct	42.82	43.35	42.42	42.77
Dec	42.77	43.27	42.55	42.90
Feb	46.35	46.60	45.90	46.42
April	48.10	48.70	48.02	48.65
June	53.45	54.30	53.30	54.50
July	54.75	55.50	54.70	56.00
Aug	54.15	55.00	54.15	55.00
Oct	53.85	53.99	53.50	53.75
Dec	54.60	54.60	54.45	54.60

MAIZE 5,000 bu min, cents/56-lb bushel

	Close	High	Low	Prev
Sept	351.4	356.0	350.6	354.6
Dec	357.0	360.0	353.4	360.2
March	365.2	367.4	361.2	367.2
May	370.0	371.0	366.0	371.4
July	369.6	371.2	366.0	371.2
Sept	344.4	345.0	342.0	346.0
Dec	321.4	325.0	320.0	321.2

PORK BELLIES 38,000 lbs, cents/lb

	Close	High	Low	Prev
Feb	62.05	63.40	61.90	62.90
March	62.35	63.60	62.20	63.15
May	64.05	65.07	64.00	64.92
July	65.30	66.40	65.30	66.00
Aug	63.27	64.40	63.27	64.12

SOYABEANS 5,000 bu min, cents/60-lb bushel

	Close	High	Low	Prev
Sept	882.0	904.0	880.0	906.0
Nov	886.0	915.0	885.0	911.4
Jan	905.0	929.0	901.0	926.0
March	917.0	943.0	912.0	938.0
May	921.0	942.0	917.0	941.0
July	920.0	938.0	912.0	936.4
Aug	887.0	901.0	883.0	900.0
Sept	804.0	814.0	796.0	801.0
Nov	730.0	741.0	725.0	727.0

SOYABEAN MEAL 100 tons, $/ton

	Close	High	Low	Prev
Sept	227.5	234.5	227.5	234.7
Oct	228.0	236.0	228.0	235.7
Dec	232.0	239.0	230.0	238.8
Jan	234.0	240.0	233.1	240.0
March	238.5	241.5	236.5	240.5
May	238.0	242.0	236.5	241.0
July	239.0	242.0	236.5	242.0
Aug	228.5	232.5	228.5	230.0
Sept	224.0	230.0	220.0	225.0
Oct	210.0	210.0	199.0	200.0

SOYABEAN OIL 60,000 lb, cents/lb

	Close	High	Low	Prev
Sept	34.80	35.85	34.60	36.15
Oct	35.07	36.00	35.07	36.07
Dec	35.23	36.15	35.23	36.22
Jan	35.17	36.10	35.17	36.17
March	35.00	35.90	35.00	36.00
May	34.30	34.95	34.10	35.10
July	33.35	34.20	33.28	34.28
Aug	31.80	32.10	31.55	32.6
Sept	28.50	29.00	28.15	29.03
Oct	26.80	26.80	26.50	27.20

WHEAT 5,000 bu min, cents/60-lb bushel

	Close	High	Low	Prev
Sept	366.4	371.0	363.4	369.4
Dec	384.4	390.0	383.2	385.0
March	401.0	408.0	401.0	406.4
May	408.2	414.4	409.0	413.0
July	402.0	408.0	401.4	407.4
Sept	409.4	415.0	409.0	416.0

SPOT PRICES—Chicago loose lard 24.00 (26.00) cents per pound. New York tin 584.0-89.0 (585.0-88.0) cents per pound.

CURRENCIES, MONEY and CAPITAL MARKETS

FOREIGN EXCHANGES

Dollar maintains firmer trend

Next week's U.S. Treasury refunding package of $14.25bn was slightly below market expectations, but may have encouraged demand for the dollar on the foreign exchanges yesterday. M1 money supply will almost certainly remain within the Federal Reserve's *revised* target range this week, but the market was also nervous about predictions of a $3bn to $5bn rise, and tended to ignore the 1.4 per cent fall in U.S. retail sales in August, which dispelled any fears of any early overheating in the economy. In rather thin nervous *trading the dollar* showed further recovery during the early morning, but then held steady for the rest of the day.

Sterling lost ground to the firmer dollar, but was slightly firmer against most other major currencies, and unchanged in terms of the D-mark.

DOLLAR — Trade-weighted index (Bank of England) 129.1 against 120.2 six months ago. The latest figures on money supply have given rise to cautious optimism as fears of a sharp rise in M1 during September have eased. The dollar had previously been at record levels on nervousness about higher U.S. interest rates as a result of the U.S. budget deficit and money supply growth.

The dollar rose to DM 2.6855 from DM 2.6790 against the D-mark; to FFr 8.1050 from FFr 8.0850 against the French franc; to SwFr 2.1845 from SwFr 2.1775 in terms of the Swiss franc; and to Y245.25 from Y243.90 against the Japanese yen.

STERLING — Trading range against the dollar in 1983 is *1.6245 to 1.4540*. August average 1.5027. Trade-weighted index 84.8, against 84.8 at noon, 84.9 in the morning, 84.7 at the previous close, and 79.0 six months ago. The pound has been quite steady recently, but is beginning to look a little fragile against European currencies as upward pressure on interest rates eases. As with other currencies it is currently hostage to the varying fortunes and fluctuations of the U.S. dollar.

Sterling fell 35 points to $1.4900-1.4910. It opened at $1.4920-1.4930, and touched a peak of $1.4940-1.4950 in early trading, before falling to a low of $1.4875-1.4885. The pound was unchanged at DM 4.0050, but rose to FFr 12.08 from FFr 12.0750; to SwFr 3.26 from SwFr 3.2550; and to Y365.75 from Y365.

D-MARK — Trading range against the dollar in 1983 is 2.7315 to 2.3320. August average 2.6736. Trade weighted index 125.6 against 130.2 six months ago. Until the recent slowdown in U.S. M1 money supply, the D-mark had been at its lowest levels against the dollar for nearly *10 years, reflecting* the large differential between U.S. and German interest rates. A softer tone in U.S. rates together with a rise in the German Lombard rate have served to narrow the gap however, as the Bundesbank has moved to counter excessive money supply growth.

The dollar was fixed higher at yesterday's fixing in Frankfurt at DM 2.6833 compared with DM 2.6770 on Tuesday. Trading was rather quiet and uneventful although factors likely to affect the market included fears of a sharp rise in *U.S. M1* money supply this week countered by a smaller than expected Federal refunding package and assertions by President Reagan that U.S. rates would fall this year. Sterling was little changed at DM 4.0030 from DM 4.0010.

JAPANESE YEN — Trading range against the dollar in 1983 is 246.90 to 226.80. August average 244.39. Trade-weighted index 147.0 against 143.8 six months ago. The yen remains close to its lowest level of the year against the dollar despite a small recovery after better than expected U.S. money supply figures.

The yen lost ground against the dollar in Tokyo yesterday. The U.S. unit finished at Y244.47 up from an opening level of Y244.10 and Tuesday's close of Y243.50. Once again the market showed uncertainty ahead of tomorrow's U.S. money supply figures, with estimates over the *past few weeks having been* proved consistently wrong. Reluctance to take out fresh positions also reflected the closure of Japanese markets today for a public holiday.

EMS EUROPEAN CURRENCY UNIT RATES

	ECU central rates	Currency amounts against ECU September 14	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc ...	44.9008	45.8696	+2.16	+1.41	±1.5447
Danish Krone ...	8.14104	8.15860	+0.22	−0.53	±1.6425
German D-Mark	2.24184	2.27288	+1.38	+0.63	±1.0642
French Franc ...	6.87456	6.86688	−0.11	−0.86	±1.4052
Dutch Guilder ...	2.52595	2.54403	+0.72	−0.03	±1.4964
Irish Punt	0.72569	0.725293	−0.05	−0.80	±1.6699
Italian Lira	1403.49	1359.56	−3.13	−3.13	±4.1505

Changes are for ECU, therefore positive change denotes a week currency. Adjustment calculated by Financial Times.

OTHER CURRENCIES

Sept. 14	£	$		£ Note Rates
Argentina Peso...	17.60-18.00	11.9425-11.9625	Austria	28.00-28.30
Australia Dollar...	1.6815-1.6835	1.1280-1.1285	Belgium	81.60-82.30
Brazil Cruzeiro...	1,040-1,045	698.0-701.0	Denmark	14.30-14.44
Finland Markka...	8.6378-8.5610	5.7300-5.7350	France	12.05-12.15
Greek Drachma...	138.00-138.60	92.60-92.90	Germany	3.99-4.03
Hong Kong Dollar	11.711-11.726	7.8575-7.8675	Italy	2360-2410
Iran Rial	130.50*	87.05*	Japan	365-369
Kuwait Dinar (KD)	0.4345-0.4350	0.29155-0.29165	Netherlands	4.46-4.51
Luxembourg Fr.	80.65-80.75	54.14-54.16	Norway	11.08-11.19
Malaysia Dollar	3.5070-3.5170	2.3540-2.3560	Portugal	182½-205
New Zealand Dlr.	2.2850-2.2900	1.5340-1.5365	Spain	219-234
Saudi Arab. Riyal	5.1860-5.1920	3.4795-3.4810	Sweden	11.74-11.86
Singapore Dollar	3.1935-3.2035	2.1435-2.1455	Switzerland	3.24-3.28
Sth. African Rand	1.6580-1.6595	1.1128-1.1135	United States	1.48½-1.50½
U.A.E. Dirham	5.4720-5.4790	3.6715-3.6735	Yugoslavia	180-188

* Selling rates.

CURRENCY MOVEMENTS

Sept. 14	Bank of England Index	Morgan Guaranty Change %
Sterling	84.8	−6.4
U.S. dollar	129.1	+17.4
Canadian dollar	92.8	+1.3
Austrian schilling	116.4	+3.5
Belgian franc	90.8	−11.2
Danish kroner	79.9	−5.0
Deutsche mark	125.6	+6.8
Swiss franc	150.3	+11.8
Guilder	115.6	+4.3
French franc	67.6	−14.5
Lira	50.1	−10.7
Yen	147.0	+6.2

CURRENCY RATES

SEPT. 14	Bank rate %	Special Drawing Rights	European Currency Unit
Sterling	—	0.702111	0.568276
U.S. $	8½	1.04776	0.847867
Canadian $	9.52	*	1.04542
Austria Sch	3¾	19.7608	15.9993
Belgian F	9	56.7362	45.8696
Danish Kr.	7½	10.0952	8.15860
D mark	4	2.81145	2.27288
Guilder	5	3.14590	2.54403
French F.	9½	8.48052	6.86688
Lira	17	1681.39	1359.56
Yen	5½	256.125	207.134
Norwgn Kr	8	7.82163	6.31831
Spanish Pta	—	159.783	129.385
Swedish Kr	8½	8.28936	6.70494
Swiss Fr	4	2.28496	1.84623
Greek Dr'ch	20½	97.2845	78.6397

*C$/SDR rate for Sept 12: 1.29511

THE POUND SPOT AND FORWARD

Sept 14	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	1.4875-1.4950	1.4900-1.4910	par-0.05c dis	−0.20	0.12-0.17dis	−0.39
Canada	1.8360-1.8430	1.8380-1.8390	0.12-0.02c pm	0.46	0.20-0.10 pm	0.33
Nethlnd.	4.46¾-4.49½	4.47¼-4.48¼	1⅜-1¼c pm	3.88	3⅞-3¾ pm	3.24
Belgium	80.55-80.95	80.65-80.75	5c pm-5 dis	—	5-15 dis	−0.49
Denmark	14.33-14.39	14.34-14.35	2.78-3.83ore dis	−2.76	1.68-2.82dis	−0.63
Ireland	1.2730-1.2790	1.2755-1.2765	0.18-0.22p dis	−1.88	0.55-0.60dis	−1.80
W. Ger.	3.99-4.01½	4.00-4.01	1⅜-1⅛pf pm	4.12	4⅛-3⅞ pm	3.87
Portugal	184.75-186.25	185.50-186.00	160-425c dis	−18.90	880-1225dis	−20.51
Spain	227.20-227.90	227.40-227.60	235-345c dis	−15.30	910-1070dis	−17.41
Italy	2280-2299	2291½-2293½	14-16½ lire dis	−7.77	47-50 dis	−8.11
Norway	11.09½-11.15½	11.10½-11.11½*	2.60-3.30ore dis	−3.19	9.70-10.50dis	−3.64
France	12.07-12.12½	12.07½-12.08½	3⅛-4⅛c dis	−3.72	16-18 dis	−5.63
Sweden	11.77-11.82	11.77½-11.78½	1.49-2.04ore dis	−1.80	5.12-5.78dis	−1.85
Japan	363½-366½	365¼-366¼	0.95-0.75y pm	2.79	2.55-2.35 pm	2.68
Austria	28.05-28.20	28.10-28.15	10⅛-8⅞gro pm	4.03	26-21½ pm	3.37
Switz.	3.24-3.27	3.25½-3.26½	1⅜-1¼c pm	5.52	4⅞-4 pm	5.21

Belgian rate is for convertible francs. Financial franc 81.80-81.90. Six-month forward dollar 0.30-0.35c dis. 12-month 0.60-0.70c dis. *The closing rate for September 13 should have read 11.14-11.15

THE DOLLAR SPOT AND FORWARD

Sept 14	Day's spread	Close	One month	% p.a.	Three months	% p.a.
UK†	1.4875-1.4950	1.4900-1.4910	par-0.05c dis	−0.20	0.12-0.17dis	−0.39
Ireland†	1.1670-1.1700	1.1685-1.1695	0.30-0.26c pm	2.87	0.78-0.68 pm	2.50
Canada	1.2330-1.2335	1.2330-1.2335	0.10-0.07c pm	0.83	0.24-0.21 pm	0.73
Nethlnd.	3.0010-3.0040	3.0010-3.0030	1.03-0.93c pm	3.91	2.80-2.70 pm	3.58
Belgium	54.12-54.20	54.14-54.16	1c pm-1 dis	—	par-4 dis	−0.14
Denmark	9.6200-9.6425	9.6375-9.6425	1.80-2.30ore dis	−2.55	0.35-0.85dis	−0.24
W. Ger.	2.6800-2.6875	2.6850-2.6860	0.99-0.94pf pm	4.31	2.82-2.77 pm	4.16
Portugal	124.40-124.90	124.55-124.85	110-260c dis	−18.76	450-800dis	−20.05
Spain	152.45-152.75	152.65-152.75	170-200c dis	−14.55	525-625dis	−15.08
Italy	1604-1606½	1605-1606	10-10½ lire dis	−7.66	31-32 dis	−7.84
Norway	7.4440-7.4675	7.4525-7.4575	1.70-2.00ore dis	−2.98	5.90-6.20dis	−3.24
France	8.0970-8.1270	8.1025-8.1075	2.35-2.60c dis	−3.66	10.40-11.00d	−5.28
Sweden	7.9020-7.9175	7.9030-7.9080	0.95-1.15ore dis	−1.59	2.80-3.00dis	−1.47
Japan	244.15-245.35	245.20-245.30	0.64-0.59y pm	3.01	1.92-1.84 pm	3.07
Austria	18.84-18.88	18.87-18.88	7.00-6.20gro pm	4.20	19.00-16.50pm	3.78
Switz.	2.1765-2.1855	2.1840-2.1850	1.09-1.04c pm	5.85	3.09-3.04 pm	5.61

† UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency. Belgian rate is for convertible francs. Financial franc 54.845-54.945.

EXCHANGE CROSS RATES

Sept. 14	Pound St'rling	U.S. Dollar	Deutschem'k	Japanese Yen	French Franc	Swiss Franc	Dutch Guild	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1.	1.491	4.005	365.8	12.08	3.260	4.478	2393.	1.839	80.70
U.S. Dollar	0.671	1.	2.687	245.4	8.105	2.187	3.004	1605.	1.233	54.14
Deutschemark	0.250	0.372	1.	91.32	3.016	0.814	1.118	597.4	0.459	20.15
Japanese Yen 1,000	2.734	4.075	10.95	1000.	33.03	8.912	12.24	6541.	5.027	220.6
French Franc 10	0.828	1.234	3.315	302.8	10.	2.699	3.707	1981.	1.522	66.80
Swiss Franc	0.307	0.457	1.229	112.2	3.706	1.	1.373	733.9	0.564	24.75
Dutch Guilder	0.223	0.333	0.894	81.69	2.698	0.728	1.	534.3	0.411	18.02
Italian Lira 1,000	0.418	0.623	1.674	152.9	5.049	1.363	1.871	1000.	0.768	33.73
Canadian Dollar	0.544	0.811	2.178	198.9	6.571	1.773	2.435	1301.	1.	43.89
Belgian Franc 100	1.239	1.847	4.963	453.2	14.97	4.040	5.548	2965.	2.278	100.

FINANCIAL FUTURES

Eurodollars ease

Euro-dollar prices lost ground on the London International Financial Futures Exchange yesterday. Early trading saw contracts register little change from overnight levels and trading up to lunchtime was confined to a narrow spread. However U.S. centres entered the market on a more bearish note as fears of higher interest rates in view of another expected rise in U.S. M1 money supply this week tended to outweigh more sensible economic indicators

The market also had one eye on the latest two year Treasury note auction of $8bn, including some $3.2bn of new money. Volume was also hampered by a rather static cash market. The December contract opened unchanged from Tuesday's close at 89.83 and traded between a low of 89.75 and a high of 89.84 before closing at 89.78.

Gilt prices started on a weaker note after a softer tone in the U.S. bond market, touching a low of 106-02 for December delivery from an opening level of 106-10. However there was good support at these lower levels and despite an indifferent start to U.S. prices, Liffe contracts held up quite well, with the December value finishing at 106-11.

Short sterling contracts showed a slightly softer trend, reflecting a small upward correction in cash prices. However this was probably a reflection of uncertainty surrounding U.S. interest rates and the undertone remained fairly bullish. Hopes of a cut in UK clearing bank base rates are higher now than a month ago but the timing of such a move is still a point attracting conflicting views. The December short sterling price opened at 90.32 up from 90.31 *but traded in a narrow four point* range before finishing at 90.28.

LONDON

THREE-MONTH EURODOLLAR $1m points of 100%

	Close	High	Low	Prev
Dec	89.78	89.84	89.75	89.83
March	89.49	89.56	89.45	89.53
June	89.29	89.35	89.28	89.33
Sept	89.12	—	—	89.14
Dec	88.92	88.94	88.92	—

Volume 2,410 (2,271)
Previous day's open int. 6,025 (5,110)

THREE-MONTH STERLING DEPOSIT £250,000 points of 100%

	Close	High	Low	Prev
Dec	90.28	90.32	90.28	90.31
March	90.01	90.06	89.99	90.05
June	89.70	89.72	89.70	89.74
Sept	89.48	89.48	89.48	89.48
Dec	89.30	89.30	89.30	—

Volume 475 (750)
Previous day's open int. 3,798 (3,472)

20-YEAR 12% NOTIONAL GILT £50,000 32nds of 100%

	Close	High	Low	Prev
Sept	103-27	103-27	103-30	103-23
Dec	106-11	106-16	106-02	106-15
March	105-29	—	—	106-00
June	105-13	—	—	105-16
Sept	104-29	—	—	105-00

Volume 2,424 (3,401)
Previous day's open int. 4,408 (4,688)
Basis quote (clean cash price of 15½% Treasury 1998 less equivalent price of near futures contract) par-08 (32nds)

STERLING £25,000 $ per £

	Close	High	Low	Prev
Dec	1.4936	1.4945	1.4900	1.4955
March	1.4953	—	—	1.4973

Volume 216 (223)
Previous day's open int. 715 (1,073)

DEUTSCHE MARKS DM 125,000 $ per DM

	Close	High	Low	Prev
Dec	0.3765	0.3765	0.3761	0.3774
March	0.3803	—	—	0.3812

Volume 76 (66)
Previous day's open int. 359 (456)

SWISS FRANCS SwFr 125,000 $ per SwFr

	Close	High	Low	Prev
Dec	0.4546	0.4648	0.4646	0.4657
March	—	—	—	—

Volume 5 (16)
Previous day's open int. 118 (235)

JAPANESE YEN Y12.5m $ per Y100

	Close	High	Low	Prev
Dec	0.4114	0.4118	0.4114	0.4134
March	0.4149	0.4155	0.4149	—

Volume 3 (nil)
Previous day's open int. 148 (186)

CHICAGO

U.S. TREASURY BONDS (CBT) 8% $100,000 32nds of 100%

	Latest	High	Low	Prev
Sept	71-15	71-27	71-13	71-30
Dec	70-30	71-12	70-28	71-14
March	70-15	70-28	70-12	70-29
June	70-01	70-11	70-00	70-15
Sept	69-23	69-30	69-21	70-04
Dec	69-14	69-20	69-13	69-27
March	69-07	69-17	69-06	69-19
June	69-00	69-11	68-31	69-12
Sept	—	—	—	—
Dec	—	—	—	—
March	—	—	—	—

U.S. TREASURY BILLS (IMM) $1m points of 100%

	Latest	High	Low	Prev
Sept	89.85	89.91	89.85	—
Dec	90.58	90.64	90.57	90.68
March	90.27	90.32	90.26	90.35
June	90.05	90.11	90.05	90.13
Sept	—	—	89.27	89.94
Dec	89.68	89.73	89.66	89.76
March	89.56	89.57	89.52	89.82
June	—	—	89.39	89.51

CERT. DEPOSIT (IMM) $1m points of 100%

	Latest	High	Low	Prev
Sept	90.53	90.57	90.50	90.56
Dec	89.95	90.02	89.90	89.99
June	89.35	89.39	89.35	89.41

THREE-MONTH EURODOLLAR (IMM) $1m points of 100%

	Latest	High	Low	Prev
Sept	89.95	89.98	89.92	89.98
Dec	89.51	89.56	89.47	89.54
Feb	—	—	—	—
March	89.18	89.26	89.17	89.24
June	88.97	89.05	88.96	89.03

STERLING (IMM) $s per £

	Latest	High	Low	Prev
Sept	1.4935	1.4940	1.4890	1.4940
Dec	1.4945	1.4960	1.4895	1.4955
March	1.4890	1.4980	1.4890	1.4975
June	—	1.5000	1.4920	1.4905
Sept	—	1.5000	—	—
Dec	—	—	—	—

GNMA (CBT) 8% $100,000 32nds of 100%

	Latest	High	Low	Prev
Sept	69-12	69-15	69-04	69-17
Dec	68-14	68-18	68-04	68-20
March	67-19	67-23	67-10	67-24
June	66-25	66-29	66-22	67-02
Sept	—	—	—	66-17
Dec	65-30	65-30	65-23	66-03
March	—	—	—	—
June	—	—	—	65-13
Sept	—	—	—	—
Dec	—	—	—	—
March	—	—	—	—
June	—	—	—	—

MONEY MARKETS

Full credit supply

UK clearing bank base lending rate 11 per cent (since July 14)

Interest rates had a slightly firmer trend on the London money market yesterday, although seven-day funds eased to 9¼-9⅜ per cent as a result of very easy short-term credit conditions. Three-month money rose to 9 11/16-9 13/16 per cent from 9⅝-9¾ per cent.

The Bank of England forecast a day-to-day credit surplus of £200m, and took out part of this during the afternoon by selling £162m Treasury bills maturing today, at interest rates of 8⅞-9¼ per cent. The authorities did not operate in the market during the morning.

Bills maturing in official hands, repayment of any late assistance, and the take-up of Treasury bills from Friday's bill tender drained £100m, while a rise in the note circulation absorbed another £50m. These were outweighed by Exchequer transactions adding £360m to market liquidity, including £185m in block grant paid to local authorities.

In Brussels the Belgian National Bank left its discount rate at 9 per cent. Earlier in the day there had been speculation that weakness of the Belgian franc, and the recent increase in German and Dutch interest rates might result in a rise of ½ per cent in the discount rate.

In Tokyo the Bank of Japan offered to inject aobut Y100bn into the local money market *through purchases of National* Bonds, for repayment on September 22. This is the fourth action by the Japanese authorities within the present fiscal year, and is intended to increase money supply in line with economic growth.

The market should face a *shortage of about Y1,000bn on* September 22, because of slary and tax payments, as well as funds for new National bond issues.

Yesterday's offer covered 7.7 per cent 10-year bonds due between August 1989 and February 1990, and those due February 1992, and 7½-year 10 per cent bonds due in June and July 1992.

LONDON MONEY RATES

Sept. 14 1983	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House Deposits	Company Deposits	Discount Market Deposits	Treasury Bills ♦	Eligible Bank Bills ♦	Fine Trade Bills ♦
Overnight	—	8-9⅝	8¾-9	—	—	7½-9¼	5-9¼	—	—	—
2 days notice	—	—	9⅜-9½	—	—	—	—	—	—	—
7 days or	—	—	—	—	—	9¾-9⅝	—	—	—	—
7 days notice	—	9⅜-9⅝	9½	—	—	—	9¼-9½	—	—	—
One month	9 9/16-9⅝	9⅝-9 11/16	9⅝	10-9¾	9¾	10	9½-9⅝	9½	9 17/32	10 1/32
Two months	9 9/16-9 11/16	9⅝-9¾	9⅝	10⅛-9⅞	9¾	10	9⅜	9 9/16	9 19/32	10 1/16
Three months	9 11/16-9 13/16	9 11/16-9 13/16	9⅝	10⅛-9⅞	9 13/16	10	9¼-9⅜	9 19/32	9 11/16	9 13/16
Six months	9 13/16-9 15/16	9 13/16-9 15/16	9¾	9½-9⅛	9 15/16	—	—	—	9 13/16-9 15/16	9 15/16
Nine months	9¾-9⅝	10-10⅛	9⅞	10¼-9⅞	10⅛	—	—	—	—	—
One year	9 15/16-9 11/16	10⅛-10¼	10⅛	10-9¾	10¼	—	—	—	—	—
Two years	—	—	10¾-11	—	—	—	—	—	—	—

ECGD Fixed Rate Export Scheme IV. Average Rate for interest period August 3 to September 6 1983 (inclusive) 9.930 per cent.

Local authorities and finance houses seven days' notice, others seven days fixed. Long-term local authority mortgage rates nominally three years 11⅛ per cent; four years 11¼ per cent; five years 11½ per cent. ♦ Bank bill rates in table are buying rates for prime paper. Buying rate for four months bank bills 9 19/32-9⅝ per cent; four months trade bills 9 25/32 per cent.

Approximate selling rate for one month Treasury bills 9 13/32 per cent; two months 9 15/32 per cent and three months 9 15/32 per cent. Approximate selling rate for one month bank bills 9½ per cent; two months 9 15/32 per cent and three month 9 9/32 per cent; trade bills 9 29/32 per cent; two months 9 13/16 per cent and three months 9 11/16 per cent.

Finance Houses Base Rate (published by the Finance Houses Association) 10 per cent from September 1, 1983. London and Scottish Clearing Bank Rates for lending 9½ per cent. London Deposit Rates for sums at seven days' notice 6 per cent.

Treasury Bills: Average tender rates of discount 9.2934 per cent. Certificates of Tax Deposit (Series 6). Deposits of £100,000 and over held under one month 9⅝ per cent; one-three months 9¾ per cent; three-six months 10 per cent; six-12 months 10⅛ per cent. Under £100,000 9½ per cent from September 13. Deposits held under Series 4-5 10 per cent. The rates for all deposits withdrawn for cash 8 per cent.

INTEREST RATES

EURO-CURRENCY INTEREST RATES (Market closing rates)

Sept. 14	Short term	7 days notice	Month	Three Months	Six Months	One Year
Sterling	9⅝-9¾	9⅝-9¾	9 11/16-9 13/16	9⅝-9¾	9 13/16-9 15/16	10⅛-10¼
U.S. Dollar	9⅜-9⅝	9 7/16-9 11/16	9⅝-9⅞	9¾-10	10 1/16-10 3/16	10 7/16-10 11/16
Can. Dollar	8½-8¾	8⅞-9	9-9¼	9⅛-9⅜	9 5/16-9 9/16	9⅞-10⅛
D. Guilder	5¾-5⅞	5¾-5⅞	5⅞-6	6⅛-6¼	6⅜-6½	6 9/16-6 11/16
S. Franc	2⅝-2¾	2⅜-2⅝	4-4⅛	4 5/16-4⅜	4 9/16-4⅝	4⅝-4¾
Deutschm'k	5⅛-5¼	5⅛-5⅜	5¼-5⅜	5⅝-5¾	5 13/16-6 1/16	6¼-6⅜
Fr'nch Franc	12¼-12½	12¼-12½	12¼-12½	15⅛-15⅜	16¾-17	16⅞-17⅛
Italian Lira	15⅛-16½	15¾-17¼	16-17½	17½-18	16⅝-18⅞	18-19⅝
Belg. Franc Conv.	9-9⅛	8¼-8¾	9-9½	10-10½	10⅛-10⅝	10½-11
Fin.	9-9¼	8¼-8½	9-9¼	9⅜-9⅝	10-10¼	10¼-10⅝
Yen	6¾-6⅞	6¾-6⅞	6 7/16-6 9/16	6¼-6½	6 5/16-6 7/16	6 7/16-6 9/16
D. Krone	14¾-15¼	13¾-14¼	14⅛-14⅝	11½-12	11¼-11¾	11⅛-11⅝
Asia $ (Sing.)	9⅛-9⅜	9 5/16-9 11/16	9 9/16-9 11/16	9⅞-10	10 1/16-10 3/16	10 7/16-10 9/16

FT LONDON INTERBANK FIXING

11.00 a.m. SEPTEMBER 14)

3 month U.S. dollars		6 month U.S. dollars	
bid 9 7/8	offer 10	bid 10 1/8	offer 10 1/4

The fixing rates are the arithmetic means, rounded to the nearest one-sixteenth of the bid and offered rates for $10m quoted by the market to five reference banks at 11 am each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris and Morgan Guaranty Trust.

MONEY RATES

NEW YORK

Prime rate	11
Fed funds (lunch-time)	9½
Treasury bills (13-week)	9.11
Treasury bills (26-week)	9.23

GERMANY

Lombard	5.5
Overnight rate	5.475
One month	5.65
Three months	5.85
Six months	6.30

FRANCE

Intervention rate	12.25
Overnight rate	12.625
One month	12.5625
Three months	12.5625
Six months	12.6875

JAPAN

Discount rate	5.5
Call (unconditional)	6.46875
Bill discount (3-month)	6.78125

SWITZERLAND

Discount rate	4
Overnight rate	2½-3
One month	4-4⅛
Three months	4¼-4⅜

NETHERLANDS

Discount rate	5
Overnight rate	5⅜-5⅝
One month	5⅞-6
Three months	6⅛-6⅜
Six months	6⅜-6⅝

$ CERTIFICATES OF DEPOSIT

One month	9.50-9.60
Three months	9.60-9.70
Six months	9.85-9.95
One year	10.10-10.30

LONG TERM EURO $

Two years	11⅛-11⅜
Three years	11¾-12
Four years	12-12¼
Five years	12⅛-12⅜

SDR LINKED DEPOSITS

One month	8¾-9⅛
Three months	9 5/16-9 7/16
Six months	9⅝-9⅞
One year	9 11/16-10 1/16

ECU LINKED DEPOSITS

One month	8 11/16-9 1/16
Three months	9 5/16-9 9/16
Six months	9 11/16-10 1/16
One year	10-10⅜

INTERNATIONAL CAPITAL MARKETS

INVESTORS STILL ON THE SIDELINES

$80m bond for Sanwa Bank

BY PETER MONTAGNON, EUROMARKET CORRESPONDENT, IN LONDON

SANWA BANK yesterday launched a $80m, seven-year, 12¾ per cent bond in the Euromarkets, adding to the long list of Japanese banks raising money for interest rate swap purposes.

The bonds were launched into a lacklustre market with investors still on the sidelines ahead of next week's large borrowing programme by the U.S. Treasury which is depressing the New York bond market. Reaction to the issue, which is priced at 99¾, was hardly enthusiastic because of the surfeit of Japanese bank paper in the market, but the bonds did benefit from their relatively high coupon and short average life of five years. They were quoted last night at a discount of 1¾ per cent just within their total fees of 1⅞ per cent.

Lead managers of the Sanwa issue are Sanwa Bank (underwriters), Morgan Guaranty, Baring Brothers and Morgan Stanley.

A telling indication of the bond market's general disaffection with bank paper came yesterday with a further drop in the price of the new 11¾ per cent Citicorp issue, which fell to a discount of nearly three points from its par issue price. Discounts on other recent issues widened too yesterday as prices shed about ⅛ point on average, but dealers noted that the $200m. 11¾ per cent issue for Ontario Hydro was holding up well at 98 compared with its issue price of 99¼.

Elsewhere, Isveimer, the Italian regional development authority, has launched a $50m, seven-year floating rate note with a margin of ¼ per cent over six-month Libor through Nomura Securities. Korean Electric Power is also raising a $50m, ten-year floating rate issue with the same margin through BA Asia and Lloyds Bank International.

In Switzerland a dual currency issue for Hudson's Bay Company of at least SwFr 100m is expected soon through Soditic, while two private placements of SwFr 100m each were announced yesterday by Swiss Bank Corporation for Hydro-Quebec and Kyushu Electric Power.

The first bears a coupon of 6 per cent over seven years with an issue price at par and the second a coupon of 5⅝ over five years at 99½.

Banque Paribas said yesterday that its issue of 150,000 warrants to buy 10½ per cent U.S. Treasury bonds due in 2010 was trading yesterday at 23 after an exercise price of 94¾ had been set on Tuesday night. The warrants were first offered at $26.

Swiss act against export agencies

By Our Financial Staff

THE Swiss National Bank has ordered an indefinite stop to public issues on the Swiss bond market by foreign export credit agencies.

In a circular sent to the banking community last weekend the bank said it would no longer grant authorisation for such issues under its capital export regulations. Private placements and direct credits from banks will, however, be permitted under certain conditions.

The move follows growing criticism from the Swiss export industry about the use of the local capital market to finance export orders won by competitor nations. Yesterday the bank was at pains, however, to stress that it was sticking to its liberal policy on capital exports.

Borrowing in the Swiss capital market by foreign export credit agencies in the first seven months of the year amounted to around SwFr 600m, a small fraction of total new issue volume.

Borrowers this year have included Japan's Eximbank, Swedish Export Credit, Canada's Export Development Corporation and Banque Française du Commerce Exterieur. Another frequent borrower has been Austria's Kontrollbank.

All these entities will now be restricted to the private placement and direct credit market. The Swiss Foreign Trade Office has asked lenders to ensure that a contractual obligation on the part of the borrower to respect the Organisation for Economic Co-operation and Development consensus on export credit rates is written into the legal documentation for such deals.

In practice this should not prevent further borrowing in Switzerland by the export credit agencies that have tapped the market in the past.

Tiger deal on repayments

By Our Financial Staff

TIGER International, the financially troubled air cargo and transportation group, has reached debt restructuring agreements with the lenders to its subsidiaries North American Car and Tiger Air. This leaves only the Flying Tiger Line offshoot to achieve a similar major restructuring following the moratorium in February after the group had deferred payment of $900m of interest and principal on half of its total borrowings of some $1.18bn.

Repayments on $325m of debt owed to 26 lenders by North American Car have been rescheduled over eight years instead of three. This allows the group to go ahead with its plans, which include the sale of a large part of its railcar leasing business to General Electric of the U.S. for $140m.

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these or other bonds see the complete list of Eurobond prices which is published monthly. The following are closing prices for September 14.

U.S. DOLLAR STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Amex O/S Fin 10¼ 90	100	92⅜	92⅞	-0⅛	0	11.98
Bank of America 8 88 XW	150†	85⅝	86⅛	0	+0⅝	12.23
Bank of Tokyo Hold 11 90	100	93½	94	-0⅛	+0⅛	12.41
British Col Hyd 10¼ 88	200	95⅝	96⅛	-0¼	+0⅛	11.43
C.C.C.E. 11¾ 97	100	91⅝	92⅛	-0⅛	-0⅜	13.81
C.I.B.C. 11 90	75	90⅝	91⅜	-0¼	+0¼	13.07
Citicorp O/S 10⅜ 90	100	91⅞	92⅛	-0⅛	+0⅜	12.28
Coca Cola Int 9⅞ 92	100	92⅛	92⅝	-0⅛	+1¼	11.27
Cred Suisse BAH 10½ 90	150	94⅜	94⅞	-0⅛	+0⅜	11.69
Credit Suisse 10½ 88	100	96½	97	0	+1⅜	11.23
Den Norsk Cred 11¼ 93	50	91⅞	92⅜	-0⅛	+0⅞	12.58
Du Pont 11¼ 95	150	97¾	98¼	-0⅛	+0⅛	11.55
E.C.S.C. 11⅞ 90	75	98½	99	-0¼	+0⅜	12.14
E.D.C. 10¾ 88	100	96⅜	96⅞	-0⅛	+0¼	11.75
E.D.C. 11¾ 87	100	99⅝	100⅛	0	+0⅜	11.77
E.D.F. 11⅛ 93	100	91	91½	-0⅛	+0¼	12.72
E.E.C. 10¾ 95	75	87½	88	-0¼	-0½	12.81
E.E.C. 11 87	350	97⅝	98⅛	-0⅛	+0⅛	11.69
E.I.B. 10¾ 93	200	91⅜	91⅞	0	+0½	12.25
E.I.B. 11 91	125	93⅝	94⅛	-0⅛	+0¼	12.26
Electrolux 10½ 90	50	91⅛	91⅝	-0⅜	+0¾	12.44
Enserch Fin 11⅝ 93	100	93¼	93¾	-0⅛	+0⅝	12.81
Fuji Int Fin 10⅞ 90	100	91½	92	-0⅛	+0⅛	12.75
Gen Elec Credit 9¾ 91	100	90¾	91¼	0	+0⅞	11.54
GMAC O/S Fin 10½ 90	200	95⅝	96⅛	0	+1	11.41
Honeywell Int 10¾ 90	100	96⅞	97⅜	-0⅜	+0¼	11.36
Indust Bk Japan 10⅞ 88	100	95⅝	96⅛	-0⅛	+0⅛	12.85
Japan Air Lines 10⅞ 88	*42*	*90⅝*	*91⅛*	*-0¼*	*+0½*	*12.22*
Japan Air Lines 11 93	75	93⅞	94⅜	-0⅛	+0¼	12.83
J. P. Morgan 11⅜ 90 XW	150	97⅝	98⅛	-0¼	+0¼	11.83
Levi Strauss Int 11 90	75	95⅜	95⅞	-0⅛	+0¾	11.95
L.T.C.B. 10¾ 90	100	91⅜	91⅞	-0⅛	+0⅜	12.64
Merrill Lynch 10⅝ 90	200	94⅜	94⅞	+0¼	+1⅜	11.81
Midland Int Fin 11½ 92	150	95⅝	96⅛	-0¼	+0⅜	12.25
Mitsubishi Corp 10½ 90	100	92⅝	93⅛	-0¼	0	12.89
Mitsubishi Fin 11⅜ 90	100	93⅝	94⅛	-0¼	-0⅜	12.75
Nippon Credit 11 90	100	92¼	92¾	-0⅛	+0⅝	12.78
Nippon Credit 11¼ 93	100	92¾	93¼	-0⅛	+0⅞	12.53
O.K.B. 10 91	100	88⅞	89⅜	-0¼	-0⅛	12.25
Ontario Hydro 10¼ 90	250	92¼	92¾	-0¼	0	11.91
Ontario Hydro 11¼ 89	200	98⅛	98⅝	-0¼	-0⅛	11.60
Ontario Hydro 12¾ 92	200	102½	103	-0⅛	+0⅛	12.22
Prudential O/S 10⅝ 93	100	94½	95	-0⅛	+0½	11.53
Prudential O/S 12¾ 87	150	103½	104	-0⅛	-0¼	11.53
Saskatchewan Pr 10¾ 90	125	93¾	94¼	-0¼	+0¼	12.10
S.N.C.F. 11½ 93	100	94⅜	94⅞	-0¼	-0¼	12.46
Sth Cal Edison 10½ 90	*75*	*94⅝*	*95⅛*	*-0¼*	*+0⅜*	*11.62*
Sumitomo Fin 10⅞ 90	100	91½	92	-0⅛	+0⅜	12.75
Swiss Bk Corp 10¼ 90	250	95⅞	96⅜	0	+0¾	11.11
Texaco Capital 9¾ 90	150	92⅜	92⅞	-0¼	+0¼	11.38
U.B.S. 10 88	100	95⅝	96⅛	-0¼	-0¼	11.15
U.B.S. 11 89	150	99	99½	-0⅜	-0⅝	11.16
Westpac Int Fin 11 90	100†	91½	92	0	+1	12.88
World Bank 10⅜ 88	150	95⅝	96⅛	-0⅛	+0⅝	11.55
World Bank 10⅞ 93	100	93⅛	93⅝	-0⅛	+0⅝	12.65
World Bank 11¼ 88	100	97⅜	98⅜	-0⅛	+0¾	11.76
World Bank 11½ 90	150	97	97½	0	+0½	12.18

Av. price changes: on day -⅛, on week +⅜

DEUTSCHE MARK STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Air Canada 7⅞ 93	100	97⅝	98⅜	0	0	7.67
A.N.A.S. 8¼ 88	100	99⅜	99⅞	-0⅛	-0⅛	8.33
Austria, Rep 7⅝ 89	100	98¼	98¾	-0⅛	-0¼	7.95
Austria, Rep 8 93	100	99⅝	100⅛	-0⅛	-0¼	8.01
Avon Int Fin 7½ 93	100	97⅜	97⅝	-0⅜	-0½	7.88
B.F.C.E. 8¼ 90	150	99⅛	99⅝	-0⅜	-0⅜	8.36
Comp Tel Nac Esp 8¼ 93	100	94½	95½	0	0	9.03
Deutsche Bank 3¾ 91 WW	240	105¼	106½	-0⅜	-0⅜	2.88
Deutsche Bank 3¾ 91 XW	240	80	80½	0	-0⅜	7.18
Dresdner Finance 4 90 WW	250	108⅛	109⅛	-0⅜	-0⅝	2.60
Dresdner Finance 4 90 XW	250	83	83½	0	-0¼	7.29
E.C.S.C. 8 90	160	99¼	99¾	-0¼	-0¼	8.09
E.E.C. 8¼ 93	250	100	100½	-0⅛	-0½	8.20
Eurofima 7½ 90	100	98	98½	-0⅛	+0⅛	7.83
Finland Rep 7½ 88	*150*	*98⅝*	*99⅛*	*-0⅛*	*-0⅛*	*7.81*
Int-Am Dev Bk 7¾ 93	200	95⅛	95⅝	-0⅛	+0⅝	8.46
Int Standard Ele 7¾ 93	100	98⅜	98⅞	-0¼	+0⅛	7.95
Japan Dev Bank 7½ 90	100	98⅞	99⅜	-0⅛	0	7.66
Kobe City 7 93	120	94⅞	95⅜	-0⅛	0	7.72
L.T.C.B. 8 90	100	99¼	99¾	-0¼	+0¼	8.09
Renault Acceptance 8 90	150	97	97½	-0¼	0	8.54
S.D.F. France 7⅞ 93	100	96½	97	-0⅛	+0¼	8.37
Sth African Tran 8⅛ 90	100	98⅝	99⅛	+0½	+0½	8.44
Volkswagen Int 7¼ 93	200	95	95½	-0¼	+0⅛	7.97
World Bank 7½ 90	250	96⅜	96⅞	-0¼	-0⅛	8.16
World Bank 7½ 93	300	95	95½	-0⅛	-0⅛	8.20

Av. price changes: on day -⅛, on week -⅛

SWISS FRANC STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
AKZO 5⅝ 93	100	98½	98¾	0	0	5.81
Bank of Tokyo 6 91	100	101½	101¾	+0¼	0	5.74
Bergen, City of 5¾ 95	40	99	99¼	+0½	0	5.85
Carls-Tuborg Brw 5¾ 93	*80*	*101¾*	*102*	*+0¼*	*+0¼*	*5.48*
Chujitsuya Co 5⅞ 93	50	97¾	98	+0⅝	-1⅛	6.17
Denmark 6⅜ 91	100	101¾	102	+0⅜	+0¾	6.08
E.D.C. 5¾ 91	100	98½	98¾	+0⅜	+0¼	5.60
E.I.B. 5¾ 93	100	99	99¼	-0¾	+0¼	5.87
Ex-Im Bk Japan 5⅝ 91	100	98	98¼	-1⅜	0	5.93
Ind Fund Finland 6¼ 91	40	100⅝	100⅞	-0⅜	+0¼	6.13
Int-Am Dev Bk 6⅛ 93	100	102	102¼	+0⅞	+0½	5.83
Japan Dev Bank 5½ 93	100	97⅜	97⅝	-0⅝	-1	5.84
Kansai Elec Power 6 91	100	101½	101¾	-0⅛	-0⅛	5.73
Kawasaki Steel 6⅛ 91	100	101⅜	101⅝	-0⅛	-0⅛	5.88
Montreal Urban 5¾ 93	100	100⅜	100⅝	-0⅛	+0⅜	5.68
Mount Isa Finance 6 93	100	102⅜	102⅝	-0⅛	-0⅛	5.68
Nisshin Steel 6⅛ 91	100	99⅞	100⅛	+0⅛	-0½	6.25
Norsk Hydro 5½ 88	100	96	96¼	0	-1	5.98
Osterr Draukraft 6 93	100	102⅛	102⅜	-0⅜	-0¼	5.69
Osterr Post 6⅛ 91	100	102½	102¾	-0⅛	0	5.69
Quebec Hydro 5½ 93	100	100¾	101	-0¼	+0¼	5.38
Sekisui House 6 93	100	101	101¼	-0¼	-0½	5.84
Sumitomo Metal Ind 6 91	100	100⅞	101⅛	-0⅜	-0⅜	5.83
Tohoku Elec Power 6 93	100	100½	100¾	+0¼	+0½	5.91
Trizec Corp 6¼ 91	100	101⅝	101⅞	-0⅛	+0⅛	5.95
World Bank 5⅝ 93	100	97½	97¾	-0¼	+0½	5.95

Av. price changes: on day -⅛, on week 0

YEN STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Australia 8⅝ 92	15	103⅛	104⅜	0	0	7.97
E.I.B. 8¼ 92	15	101⅞	102⅜	+0⅛	+0¼	7.90
Japan Airlines 7⅞ 87	9†	101⅜	102⅛	0	0	7.16
New Zealand 7⅝ 89	15	101¾	102¼	-0⅛	+0⅛	7.20
World Bank 8⅜ 92	20	102⅜	103¼	0	0	7.86

Av. price changes: on day 0, on week +⅛

OTHER STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
British Col 11¾ 93 CS	25†	93¾	94¼	-0¾	-0⅛	12.94
Can Pac Secs 11⅞ 90 CS	75†	97⅞	98⅜	-0½	-0⅜	12.27
Charb France 11⅞ 85 CS	40†	93½	94	-0⅛	0	12.01
Norcen 12¾ 93 CS	60†	95¼	95¾	-0⅝	+0⅝	13.59
TD MTG Corp 12½ 88 CS	40†	99⅛	99⅝	0	-0⅛	12.66
Quebec Province 12 93 CS	50†	98⅜	98⅞	0	0	12.23
Xerox Canada 12 88 CS	40†	99⅛	99⅝	0	+0⅛	12.17
Forsmarks 11½ 90 ECU	40	103	103½	0	+0⅜	11.01
Svenska 11¼ 91 ECU	40	99⅛	99⅞	0	-0⅛	11.32
Consol Foods 7¼ 88 Fl	100	95⅛	95⅝	0	+0⅛	8.50
Elect Supply 8¾ 88 Fl	75	96	96½	0	+0⅛	9.78
Nederland Gas 7½ 88 Fl	100	98⅜	98⅞	0	+0⅜	7.85
Philips Lamps 7¼ 88 Fl	100	97⅜	97⅞	0	+0⅜	7.88
P.H.P. ¾ 88 Fl	50	99⅜	99⅞	0	0	8.84
Swed Exp Cred 7¾ 88 FL	100	94¾	95¼	0	+0⅛	9.12
O.K.B. 14 86 FF	400	100⅞	101⅜	0	0	13.18
Solvay & Cie 14¾ 86 FF	200	102	103	0	+0⅜	13.38
B.F.C.E. 11½ 88 £	50	96⅞	97⅜	0	+0¼	12.27
British Oxyg 11¾ 91 £	50	100⅛	101	-0⅛	+0⅛	11.58
CEPME 11¼ 95 £	35	98⅜	99⅛	-0⅛	-0¼	11.43
E.E.C. 11⅞ 91 £	50	100⅛	100⅞	0	+0¼	11.74
Fin For Ind 10½ 90 £	30	94⅜	95⅛	-0¼	-0⅛	11.53
Fin For Ind 12¼ 88 £	30	102⅞	103⅜	-0⅛	0	11.33
Fin Mat Oranj 12⅝ 92 £	30	101⅝	102⅜	-0⅛	+0¼	12.23
Gen Elec Co 12½ 89 £	50	102½	103¼	0	-0⅜	11.71
Mort Bk Fin 11¾ 89 £	15	96⅛	97⅛	0	+0⅛	12.54
Norsk Hydro 12 90 £	30	102	102¾	0	+0⅜	11.42
Quebec 14½ 88 £	30	108½	109½	0	0	12.20
S.N.C.F. 11½ 89 £	30	96⅜	97⅛	-0¼	-0⅛	12.27
Sweden 11¼ 93 £	50	93¾	94½	-0⅜	+0⅜	12.38
Swed Exp Cred 11¼ 88 £	30	96¾	97½	0	+0¼	12.04
World Bank 11⅛ 88 £	100	97¼	98	-0⅛	+0⅛	11.78
World Bank 11¾ 91 £	75	99¼	100	-0⅛	0	11.42
Euratom 11 93 LuxFr	500	102⅛	103⅛	0	-0⅜	10.52
Europarat 10¾ 93 LuxFr	600	102½	103½	+0⅛	+0⅜	10.22

FLOATING RATE NOTES	Spread	Bid	Offer	C.date	C.cpn	C.yld
B.F.C.E. 5¼ 87	0¼	99½	99¾	27/1	10⅞	10.92
B.F.C.E. 5¼ 88	0¼	99⅜	99⅝	28/1	10.15	10.23
Caisse Nat Tele 5⅛ 90	0¼	99⅛	99⅜	21/10	9.56	9.63
C.C.F. 5¼ 95	0¼	99	99¼	7/10	10.19	10.28
C.C.F. 5¼ 98	0¼	99¾	100	24/9	9.94	9.96
Copme 5¼ 88 WW	0⅛	99½	100	3/12	10.56	10.59
Copme 5⅛ 92	0⅛	99⅝	99⅞	10/12	10½	10.53
Chemical NY 5⅛ 94 ††	0¼	100⅛	100⅜	23/9	10.82	10.74
C.N.C.A. 5¼ 95 XW	0⅛	99⅛	99⅜	7/12	10	10.08
C.N.T. 5⅛ 91	0⅛	99⅛	99⅜	6/11	9¼	9.32
Credit Agricole 5¼ 97	0¼	99¼	99½	24/9	10	10.06
Credit Lyonnais 5¼ 94	0⅛	99⅛	99⅜	5/1	10.31	10.39
Credit Lyonnais 5¼ 97	0¼	99⅛	99½	1/10	10.06	10.13
Credit Nat 5⅛ 94	0¼	99	99½	9/9	9⅜	9.32
E.D.F. 5⅛ 95 XW	0¼	99⅝	100	10/2	11⅜	11.39
E.E.C. 5 90	0⅛	99⅞	100⅛	5/1	10.19	10.19
Kansallis Osake 5½ 92	0⅛	100¼	100½	8/11	9⅞	9.89
Long Term Cred 5¼ 92	0⅛	99⅞	100⅛	27/11	9¾	9.75
J.P. Morgan 5⅛ 97 S	0¼	100¾	101	12/11	10.81	10.72
New Zealand 5¼ 87	0⅛	100⅛	100⅜	7/10	10.86	10.83
NZ Steel Dev 5⅛ 92	0¼	100	100½	22/12	10¼	10.22
Nippon Credit 5⅛ 90	0⅛	100½	100¾	10/2	11¼	11.18
Soc Generale 5¼ 90 XW	0¼	99	99¼	9/11	9⅛	9.21
Société Générale 5¼ 95	0¼	99⅜	99⅝	1/3	10.31	10.36
Sweden 5¼ 89	0¼	100	100¼	28/2	10.19	10.18
Sweden 5¼ 93	0¼	100⅜	100⅝	3/2	11.19	11.13

Av. price changes: on day 0, on week +⅛

CONVERTIBLE BONDS	Conv. date	Conv. price	Bid	Offer	Chg. day	Prem
Bridgestone Tire 5½ 96	3/82	470	104	105½	0	4.43
Canon 7 97	7/82	748.2	225⅜	227⅛	-3¼	14.61
Daiwa Sec Co 5½ 98	10/83	508	96⅛	98⅛	-0⅜	1.42
Hitachi Cable 5¼ 96	2/82	515	108⅜	109⅜	+0¼	11.85
Honda Motor 5⅛ 98	6/83	884	97⅞	98⅞	-1⅛	1.76
Honda Motor 5½ 97	3/82	759.6	114	115½	-1⅜	1.52
Kumagai Gumi 6½ 97	10/82	400	116½	118	-2⅜	-1.88
Kyowa Hakko 6¼ 97	2/83	702	116⅝	117⅛	-0⅝	13.15
Minebea Co Ltd. 5½ 98	5/83	667	126⅛	128⅛	-1¾	-0.84
Mitsubishi Electric 5⅛ 98	6/83	396	109	110	-1⅛	6.25
Nippon Electric 5¼ 97	2/82	765.9	181⅞	183⅝	-2¼	4.48
Nippon Oil Co 5½ 98	4/83	964	107⅜	108⅜	+0⅛	9.12
Nissan Motor 5¾ 98	4/83	770	90⅛	91⅛	-0⅝	-0.59
Olympus Optical 6⅛ 97	12/82	1331	101⅝	103⅛	-0½	11.71
Orient Finance 5¼ 97	3/82	927.2	89½	91	-1½	11.02
Orient Leasing 5¼ 98	6/83	2680	94¼	95¼	0	-2.88
Secom 5 98	11/83	2920	116⅞	118⅜	-4	3.00
Sumitomo Electric 5½ 97	3/82	577.3	112	113½	-1⅛	4.44
Sumitomo Metal 5⅛ 96	10/81	296.1	70½	72	-0½	33.87
Yamaichi Sec Co 5 98	8/83	472	93⅝	95⅛	-0⅝	0.02
NEC Corp 3½ 93 SF	6/83	978	148⅝	150⅝	-1⅜	-2.42
Sanyo Electric 3½ 93 SF	5/83	501	106	108	-0½	15.85
Konishiroku 6¾ 88 DM	8/82	816	118⅛	119¼	-0⅜	1.35
Mitsubishi Heavy 6 89 DM	2/82	263	110⅞	111⅞	+0½	6.00
Sum Realty 6¼ 92 DM	2/83	365	118⅛	119⅛	-0⅛	-2.69

* No information available-previous day's price.
† Only one market maker supplied a price.

Straight Bonds: The yield to redemption of the mid-price; the amount issued is in millions of currency units except for Yen bonds where it is in billions. Change on week = Change over price a week earlier.

Floating Rate Notes: Denominated in dollars unless otherwise indicated. Coupon shown is minimum. C. date = Date next coupon becomes effective. Spread = Margin above six-month offered rate (†† three month; § above mean rate) for U.S. dollars. C.cpn. = current coupon. Cu. yld = current yield.

Convertible bonds: Denominated in dollars unless otherwise indicated. Chg. day = Change on day. Cnv. date = First date for conversion into shares. Cnv. price = Nominal amount of bond per share expressed in currency of share at conversion rate fixed at issue. Prem = Percentage premium of the current effective price of acquiring shares via the bond over the most recent price of the shares.